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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. ~~51~~ 61 Section 1 March 15, 1927.

FARM BUREAU HEAD ON FARM CONDITIONS

The Associated Press to-day reports from Quincy, Ill., that Sam H. Thompson, president of the American Farm Bureau Federation, in an address there last night declared that farmers were the lowest paid of all workers. Mr. Thompson said that "agricultural conditions have not improved since February 12, when President Coolidge, in a speech, discussed agricultural depression after the World War. At that time the farmers, representing approximately one-third of the population, were getting about 10½ per cent of the national income," Mr. Thompson declared. Referring to the report of the National Industrial Conference, which made a study of agricultural conditions, he said he found "the farmers are now getting only 7½ per cent of the national income and that the farmer is the lowest paid of all laborers in the United States, his income amounting to only $679 a year, as compared with $1,485, that of all other laborers."

RADIO COMMISSION TO MEET

The press to-day reports that hearings on the entire radio situation are planned by the new Radio Commission. Four members called on President Coolidge yesterday prior to organizing to-day. The report says: "The commissioners have determined to attack the problems before them in the order of emergency which brings them forward. It intends to hold a prolonged series of hearings with the object of gaining data upon which it may lay down general regulations to control the issue of licenses to be broadcast and to operate radio telegraph stations and experimental plants....."

THE FORD-SAPIRO CASE

A dispatch to-day from Danville, Va., says: "Four or more men of this community are holding themselves in readiness to proceed to Detroit as defense witnesses in the suit by Aaron Sapiro against Henry Ford, it was disclosed yesterday. James H. Warren, who played a part in the Tobacco Growers Cooperative Marketing Association, is one of the witnesses and another is John C. Roach, who also was prominent in the formative stages of the farmers' movement four years ago. Both, however, severed their connection with it within a year. It is also learned that members of the legal staff of Henry Ford came here three weeks ago and took depositions from tobacco growers citing conditions under the cooperative regime. Mr. Sapiro took an important part in forming the tobacco cooperative of which he became general counsel. He appeared in this section and made addresses before mass meetings of farmers and conferred with local leaders of the movement. Last year the pool collapsed and a receiver was appointed by Federal Judge Meekins of North Carolina on complaint of extravagant expenditures and salaries in its management."

NORTH CAROLINA COTTON POOL PAYMENTS

A Raleigh, N.C., dispatch to the press of March 13 states that checks amounting to about $1,250,000 for cotton pooled were mailed to members in sixteen counties March 12, H.B. Blalock, general manager of the Cotton Growers Cooperative Association, announced.

Section 2

Austrian Cow Champion — A Vienna dispatch to the press of March 13 says: "Bella, the famous cow belonging to the Austrian President, Michael Hainisch, remains the champion milk giver of Austria. Her record in 1926, just announced, shows her to have produced 24,426.6 pounds of milk during the year, containing 3.9 per cent butterfat. This is a considerable improvement over her 1925 record, when Bella gave the President 22,589.6 pounds of milk. Her average for the last five years is 17,601 pounds. Bella is 11 years old and has had half a dozen calves. She belongs to the Montafon (a valley in the Vorarlberg) breed and is Swiss.....Doctor Hainisch is a gentleman farmer who has long led the movement for agricultural and dairying development in Austria as the only sound way of improving the country's economical status. For local cartoonists Doctor Hainisch and Bella are inseparable."

Canadian Cooperatives — An editorial in The Modern Miller for March 5 says: "While the Grain Marketing Co., the farmers' organization that attempted to make a success of operating terminal elevators in the United States, failed, it is interesting to note the result of the cooperative elevators in Canada. On March 1, an official statement from Regina showed that the Saskatchewan Cooperative Co.,Ltd., for the year ended July 31, 1926, showed net profits of $825,546, which exceeded the preceding year by $500,000....Some profitable investment--in Canada! The return of $150 for $7.50 invested is high finance for Canadian farmer cooperatives. The world has been watching the outcome of the Canadian pools. There, the stage setting is different from that in the United States. It is a one-crop farming proposition--wheat. The crop is substantial export surplus, and control is simplified, as compared with the United States. Canadian wheat moves East and West in a narrow belt, with Winnipeg, Montreal and Vancouver as principal ports of activity. How to coordinate the wheat marketings in the United States will be discussed at the cooperative convention this spring....."

Cooperation — In an editorial entitled "Financial Ghosts," The Journal of Commerce for March 14 says: "It was more common in the days of 'muck-raking' twenty or twenty-five years ago to conjure up financial ghosts than it has been of late years. Nevertheless, when circumstances require, we can call spirits from the vasty deep to serve our own purposes. That is what has been done in the controversy between the representatives of Mr. Ford and those of cooperative marketing. Some of the leaders in the cooperative movement have been charged with an attempt to 'turn over to an organized international interest the entire agricultural interest of the Republic,' the effort being said to be a part of a general effort to install a Communistic system in the United States and thus to promote the spread of principles antagonistic to American Government. In the trial, which is now about to open with a large array of eminent counsel on either side, there will be, so it is reported, a thorough and expert analysis of cooperative marketing in all of its phases. It may well be that this analysis of cooperative marketing if carefully carried out and pushed to its logical conclusions will prove to be a good thing.... The form of cooperation in agriculture which has received most attention is best seen in the cooperative marketing and selling organizations which have lately developed among fruit growers, cotton

producers and others. Their mission is usually the standardization of plans for packing, holding and shipping, and as an essential auxiliary to these the development of schemes for financing the product while it is in warehouse, and in many cases up to the time of its consumption. In a good many cases cooperative associations have quite self-consciously accepted the role of holding products off the market with a view to finding out whether they can in that way boost the price of them....Of course all such evils as these just referred to would be forgiven if the cooperative movement actually resulted in direct permanent benefit to farmers. Whether it has done so, however, may be seriously questioned. It was estimated at the meeting of the American Bankers' Association, about two and one-half years ago, that cooperative marketing in the Southern States had saved the cotton planters $5 a bale. Whatever it did save them was promptly lost through the extension of acreage, which was undoubtedly fostered as the result of cooperative organization, notwithstanding that the latter have nominally sought to bring about reasonable limitation of acreage. Fruit growers are believed to have received great benefit from their organizations in various parts of the country, and yet even among them there is sharp complaint of high cost and excessive salaries paid to managers who are said to eat up most of the savings. ...The thought that there is anything Communistic about the American form of cooperation is thus about as ridiculous as is the notion that cooperative associations or trade unions are established for the purpose of advancing the well-being of the community. If the suit, which is now opening, shall succeed in laying financial ghosts of this cooperative Communistic type, that one thing alone will be 'worth the price of admission.'"

Europe Reported Buying Cotton — A New Orleans dispatch to the press of June 14 says: "Heavy exports of cotton compared with last year indicate that foreign countries, realizing the expanded demand for cotton goods, are providing for their future needs and replacing foreign cotton by importations of American raw material. It is, therefore, believed that consumption for the entire season will be heavy and that as a consequence the carryover of American cotton at the end of the season will be smaller than was regarded as probable only a little while back...."

Farm Products Export — An Associated Press dispatch March 13 from New York says: "The farmers' problem in foreign trade will be brought prominently to the fore in the discussions of the thousands of delegates from all parts of the United States to the fourteenth national foreign trade convention, to be held in Detroit May 25-27. Oscar K. Davis, secretary of the National Foreign Trade Council, in announcing the preliminary program for the convention, said that American business executives would make a serious attempt to collaborate with the farmer in his foreign trade problems. Nine thousand delegates are expected to attend....."

Farm Profits — An editorial in The (Indiana) Farmer's Guide for March 12 says: "In these times of widespread dissatisfaction over the general run of returns which farmers are receiving for their efforts, any inquiry into the factors that account for the wide range in the size

of labor incomes earned is always interesting. A study of farm records kept by 14 farmers in Paulding County, Ohio, reveals some interesting and valuable figures. The labor-incomes, that is, the amount which the farmer received for his labor after all farm expenses including interest on investment were paid, ranged from $688 to $2,995, with an average of $1,810. The average does not represent the average of all the farmers in the county, but only the average of those keeping records. Since only the better farmers usually keep records, it follows that the average of $1,810 is higher than the figure that would obtain for all of the farms. Six of the 14 men had crop yields as follows: Corn, 80 bushels to the acre; oats, 37 bushels; and wheat, 37 bushels. The eight men who had below-average yields could boast of only 38 bushels of corn to the acre, 37 bushels of oats, and 21 bushels of wheat. The farmers with the higher yields invariably enjoyed the better incomes, and vice versa. Quality of livestock and good feeding exerted a big influence on the amount of the labor income. The high men received an average of $2.36 in return for every dollar's worth of feed used, while the low men received only $1.88. No one has ever advanced a more telling argument against scrub stock than is contained in these figures. Incidentally there is here plenty of support for our contention that good livestock and good farmers are usually found together. The farmer who produces good yields of crops and then feeds them on his own farm skillfully to livestock of good quality is in a relatively safe and reliable business. He is the solid rock in which American agriculture is anchored."

Freight Rates An editorial in The Farm Implement News (Chicago) for March 3 says: "....Perhaps it is true that the railroads are justified in asking higher rates on some commodities. We do not know. But we do know that under existing conditions there is no warrant whatsoever for increasing rates on the equipment that is absolutely essential in agricultural operations. What the situation calls for is a reduction in rates on farm products and no increase in rates on farm equipment. The apparent determination of the carriers to increase the burden which agriculture has borne since 1921 is evidence of a policy which for indifference to national welfare is unparalleled in the annals of transportation."

Meat Exports A decrease of 8 per cent in quantity and 12 per cent in value characterized the meat export trade of the United States in 1926 as compared with 1925, according to a statement issued by the Institute of American Meat Packers. "Notwithstanding this decline, the monetary value of the meat products exported exceeded $227,000,000," the statement says. "The quantity of meat exported in 1926 decreased nearly 20 per cent. The amount of animal oils and fats exported showed a slight increase so far as quantity was concerned, but a total decrease in value of about $11,000,000, or about 8 per cent. Exports of lard alone were 10,000,000 pounds greater in 1926 than in 1925 and the value was $10,000,000 less."

Wool Situation The press of March 13 reports: "Another test of the conditions affecting wool will be afforded this week when the auction sales in London will be resumed. These sales begin on Tuesday and will continue until April 1. In all, 166,400 bales are to be offered.

Of these 83,650 are Australian, 57,000 New Zealand, 4,450 Cape, 19,100 South American and 1,300 sundries. About one-sixth of the offerings are left-overs from previous sales. It is predicted that there will be slight advances on the finer merinos and crossbreds, but this prophecy may be based on a knowledge of the upset prices fixed by the sellers. There is not now, nor has there been for some years, a really free and unrestricted auction sale of wool. In this country wool buying is quite limited in its scope, the mills showing no disposition to add to their holdings while the demand for fabrics remains as small as it is. Imports of wool during the last month or so have been fairly heavy....."

Section 3
MARKET QUOTATIONS

Farm Products

March 14: Potato prices 5¢ to 20¢ higher than a week ago. Maine sacked Green Mountains $2.50 to $3 per 100 pounds in eastern markets; bulk stock $2.05 to $2.15 f.o.b. Presque Isle. New York and midwestern yellow varieties of onions $3.50 to $4 sacked per 100 pounds in consuming centers; $3 to $3.50 f.o.b. Rochester, N.Y. Florida strawberries 25¢ to 35¢ quart basis in eastern cities. New York Rhode Island Greening apples fairly steady at $3.50 to $4.75 per barrel in city markets; $3.75 f.o.b. Rochester. New York and Michigan Ben Davis $3 to $3.25 in Chicago.

Top price on hogs at Chicago to-day is $12.20 or 20¢ higher compared with a week ago. Beef steers were unevenly 10¢ lower to 25¢ higher, the better grades showing the decline. Heifers were steady to 25¢ higher, while cows advanced 10¢ to 25¢. Vealers and heavy calves ranged from steady to 50¢ lower, with stockers and feeders steady to 40¢ higher. Fat lambs, yearling wethers and feeding lambs decline. Fat ewes remained steady.

Grain prices quoted March 14: No.1 dark northern Minneapolis $1.37 to $1.44. No.2 red winter Chicago $1.33 1/4 to $1.34. No.3 red winter Chicago $1.26 to $1.32. No.2 hard winter Chicago $1.34 to $1.38. No.3 mixed corn Chicago 66 to 68¢; Minneapolis 65 to 67¢; No.3 yellow corn Chicago 67 to 69¢; Minneapolis 69 to 71¢. No.3 white oats Chicago 43 to 45¢; Minneapolis 43 1/2 to 44 1/2¢.

Closing prices on 92 score butter: New York 49 1/2¢; Chicago 49 3/4¢; Philadelphia 50 1/2¢; Boston 50 1/2¢.

Average price of Middling spot cotton in 10 designated markets declined 22 points, closing at 13.42¢ per lb. March future contracts on the New York Cotton Exchange declined 22 points, closing at 13.66¢ and on the New Orleans Cotton Exchange they declined 19 points, closing at 13.70¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 14,	Mar. 12,	Mar. 13, 1926
20 Industrials	161.43	160.73	153.07
20 R.R. stocks	127.14	127.39	109.06

(Wall St. Jour., Mar. 15.)

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Vol. XXIV, No. 62 Section 1 March 16, 1927.

TAX RECEIPTS The press to-day reports that Treasury officials appear confident that income tax payments for the third quarter of the current fiscal year, paid by midnight last night, will exceed $550,000,000, and possibly go as high or higher than $600,000,000.

THE RADIO COMMISSION The Associated Press to-day reports: "The new Federal Radio Commission completed its organization yesterday and took several steps toward establishing its authority over communication by ether....Beginning March 29, in Washington, the commission will hold four days of open hearings to consider what shall be done with radio broadcasting.....Government departments have lent it personnel and equipment, and Sam Pickard, head of the Department of Agriculture's Radio Section, was designated as acting secretary...."

SAPIRO-FORD CASE An Associated Press dispatch to-day from Detroit says: "Henry Ford will take the witness stand Monday in the $1,000,000 libel suit filed against him by Aaron Sapiro of Chicago, organizer of cooperative marketing associations, who claims his reputation was injured by articles appearing in Ford's publication, The Dearborn Independent. This was decided at a conference of counsel for both sides yesterday after a jury had been sworn in before Judge Fred M. Raymond, of the United States district court....."

NEW YORK WOOL FUTURES COMMITTEE URGED The New York Journal of Commerce for March 15 reports that the board of managers of the New York Cotton Exchange now has before it a petition signed by a substantial number of exchange members asking that a committee be appointed to study the feasibility and desirability of broadening the activities of the exchange to include trading in wool futures. The petition, which has been circulating for some little time past, was submitted a few days ago, too recently for the board of managers to have had time to give it full consideration as yet, and, so far as could be learned yesterday, no definite action of any sort has as yet been taken."

CANADIAN WHEAT POOL PAYMENTS A Winnipeg dispatch to the press of March 15 says: "As it did a year ago, the Canadian Wheat Pool has made a March distribution, this time of $26,000,000 to its 140,000 grower members. This is an interim dividend of 15¢ on 173,000,000 bushels of grain. One or more further payments, including the final settlement, will be made later on. The initial payment, made when the farmer member turns in his grain, is the largest. In its calculation the initial payment is designed to cover the major part of the ultimate total price..."

Section 2

Bank Failures "During 1926 there were 946 bank suspensions in the United States as against 612 in 1925 and 777 in 1924. Thirty-five of these suspensions were State banks which were members of the Federal Reserve System; 126 were national banks and consequently were also members of the Federal Reserve System, and 785 were non-member banks. Classified according to the population of the towns and cities in which these suspended banks were located, we find that in places of less than 500 population, there were the largest number--367 suspensions; 500 to 999 population, 201 suspensions; 1,000 to 1,499 population, 114 suspensions; 1,500 to 2,499 population, 87 suspensions; 2,500 population and over, 177 suspensions. The average capital of these 946 banks that suspended, was about $34,000." (Am. Bankers Assoc. Jour., March.)

Committee to Advise On Boulder Dam The press of March 15 reports: "A fact finding committee composed of men able to advise the Government concerning the merits of Colorado River development projects will be created by Secretary Work. The Secretary announced his decision in a statement in which he expressed disappointment that Congress had failed to make the Swing-Johnson Boulder Canyon bill a law. The personnel of the committee has not been determined...."

Hoover on St.Lawrence Canal A New Haven, Conn., dispatch to the press of March 13 states that speaking before a gathering of New England business men under the auspices of the New Haven Chamber of Commerce March 12, Herbert Hoover, Secretary of Commerce, outlined plans for the St.Lawrence River shipway, said it was a project larger in its undertaking and potentialities than the Panama Canal and recommended that a joint commission of the United States and Canada be appointed to carry out the undertaking.

Nebraska Farm Home Equipment The New York Times of March 13 says: "Farm wives of the West are more afraid of monotony then they are of hard work. They would rather have an automobile in the garage than a washing machine in the basement. They prefer a telephone in the house to running water in the kitchen. These and other facts are revealed in a survey the 22,000 clubwomen in Nebraska have just completed--a survey of conditions among the farm wives of the State. Ninety-seven families out of every hundred on Nebraska farms have automobiles, but forty-five out of every hundred of these same homes are without water piped into the house. Out of every hundred rural houses eighty-nine have telephones, but only thirty-two out of every hundred have kitchen sinks with running water. Radios and phonographs are found in more than one-third of Nebraska farm homes, but there is only one electric range to every 250 of these homes. There is a piano in every other rural home in the State, but gas is used in only two out of every hundred farmhouses. Less than a fifth of the households enjoy the advantage of stationary washbowls with running water. Eighty-six farm homes out of every hundred have some sort of washing machine--more than 40 per cent of the machines operated by stationary engines, 12½ per cent by electricity--and yet stationary laundry tubs are rarely met with. Practically every farmhouse in the State has a foot-operated sewing machine. One farmhouse out of eleven in Nebraska has a water system. The houses are poorly lighted. Less

than a fifth have electric lights. A third still use oil-wick lamps. ....More than two-thirds of the Nebraska farms have mechanical power, but it has not been adapted to women's work as much as it should be, the survey shows. In the interest of the conservation of time, health and vitality, and in the interest of better and happier homes, the Nebraska Federation of Women's Clubs believes that, since mechanical power on the farm is available, the farm women should take advantage of it to as great an extent as possible; also, since electricity is available to many farms, that rural homes should use it when practicable."

Rubber Production in Florida

An editorial in The Florida Times-Union for March 9 says: "The matter of rubber production in Florida is engaging the very practical attention of Thomas A. Edison.....Mr. Edison, at the present time, is experimenting with ten other varieties of rubber plants in order to find their relative merits. But this matter of growing rubber plants, or trees, successfully, in Florida, is not his only concern. He realizes that labor is involved in the growing and production of rubber, and that in this country the cost of labor, even if possible of being secured, is not what it is in the countries in which rubber now is being produced. Consequently, Mr. Edison is trying to find a way for harvesting and treating crude rubber by machinery, in order to lessen the cost of production and thereby make the venture commercially and financially possible. He realizes that the problem he is trying to solve is a most difficult one. But, then, he has solved other problems, some seemingly impossible of practicable solution, and it will not be surprising if he solves this one, of rubber growing in Florida, adding it to other successful industries of the State. Associated with Mr. Edison, in the solving of this rubber problem, are Mr. Ford and Mr. Firestone, both of whom are very extensive users of rubber, in automobile tires, and very much interested in rubber production in Florida. Mr. Ford, as generally is known, has made some rather extensive experiments in the growing of rubber trees on his plantation near LaBelle, Fla., having planted some ten acres to a certain variety of rubber tree, which proved a failure, it being found that this particular rubber plant had little or no commercial value, as it gave a poor yield of rubber which was too full of resin. Mr. Firestone was instrumental in having Congress make an appropriation of $500,000 for investigation of new sources of rubber supply, of which amount $100,000 went to the Department of Agriculture which is conducting experiments at Chapman Field, about twenty miles south of Miami. By the foregoing it is evident that some very practical investigations and experimentations are going on to find out whether or not it is possible to grow and produce rubber in Florida. It is work that is very much worth while. It is for giving to the world, and particularly to the United States, a product that is in constant and growing demand. There is very much of assurance that if rubber growing and production is at all possible in Florida, the men here referred to will be able to prove it."

Sugar Prices

In a long editorial on various aspects of the subject of sugar, Facts About Sugar for March 12 says: "Incidentally the movement of sugar prices in the United States since 1890 shows how negligible is the effect of the tariff upon the price. At the beginning of the period there was no import duty on sugar and since

then there have been no less than seven changes in the rate, which has varied from one cent to the present effective duty of 1.76 cents a pound on Cuban raw sugar. As often as not an increase in tariff has been followed by a decline in price, depending of course upon conditions of supply and demand quite independent of the customs house rate. The real cost of any article of food, as the economists are fond of telling us, is not measured accurately by the number of dollars or cents for which a given quantity can be purchased, but by the number of hours of labor or the amount of capital invested in productive facilities needed to acquire that quantity. Food economists go further than this and say that the price per pound or per quart is no true criterion of value, but that the latter is to be found in the number of calories or units of nutritive and energizing value that can be purchased for a given sum, whether expressed in money, hours of labor, or other equivalent....There are some, particularly among those engaged in sugar production, who hold that sugar is too cheap. To the degree that the selling price of any commodity is below the cost of production, the condition is an uneconomic and necessarily a temporary one. If, on the other hand, improvements in methods of cultivation and manufacture make possible further cost savings that will permit the labor and capital engaged in the industry to earn a living wage without increasing the sales price, this will contribute to the growth of demand and will require an ever growing volume of production. Considering the strides that the sugar industry has made in the past through the acquisition and application of technical knowledge it appears reasonable to believe that sugar may continue to withstand the tendency to higher prices."

Section 3

Department of Agriculture

An editorial in The Breeder's Gazette for March 10 says: "Two weeks ago Renick W. Dunlap, Assistant Secretary of the Federal Department of Agriculture, addressed the Illinois Farmers' Institute at Kankakee on 'Our Basic Industry.' ....Mr. Dunlap recognizes that the agitation in Congress and elsewhere for agricultural legislation has fixed 'the farm problem' and the condition of farmers in the national consciousness. 'The spotlight is on the American farmer,' he says. 'He is probably the most talked-of person in the country. He is the subject of serious conversation in the business office, in the bank, the store and the factory. He is on the front page of newspapers, and is given considerable space in The Congressional Record. He is talked about in meetings of all kinds, and especially is he talked about whenever politicians are gathered together.' It is possible, therefore, that since farmers are conscious of this fact they may be better prepared than they otherwise would have been to appreciate this counsel from Mr. Dunlap: 'The first thing to do in approaching the future is to adopt an attitude of hopefulness.'.... Fortunately, the hopeless attitude is dying of its own weakness and futility. Hopefulness and confidence are evidenced by stockraising farmers to a more marked extent than by any other class of farm people. Both are based on an increasingly satisfactory position of the commercial livestock trade. Stock-farms are spreading the contagion of a hopefulness than breeds constructive effort."

Section 4
MARKET QUOTATIONS

Farm Products

March 15: Maine sacked Green Mountain potatoes sold at $2.50 to $3 per 100 pounds in eastern cities; bulk stock $1.90 to $2 f.o.b. Presque Isle, Me. Wisconsin sacked Round Whites $1.90 to $2.05 carlot sales in Chicago. New York Danish type cabbage mostly $20 to $30 bulk per ton in city markets; Texas new stock $2.50 to $3.75 per barrel crate in terminals. New York and midwestern yellow onions $3 to $3.75 sacked per 100 pounds in consuming centers; $3.25 to $3.50 f.o.b. Rochester, N.Y. Best New York Baldwin apples sold at $3.50 to $4.25 per barrel in leading city markets; mostly $3.75 f.o.b. Rochester. New York and Michigan Ben Davis $3 to $3.25 in Chicago.

Chicago hog prices closed at $12.15 for the top; Beef steers choice $11.60 to $13.25; good $10 to $12.50; medium $9 to $11. Heifers, good and choice $7.25 to $10.75; cows, good and choice $6.50 to $8.25; Vealers, medium to choice $9 to $13.75; heavy calves medium to choice $7 to $8.50. Stocker and feeder steers common to choice $6.65 to $9.25. Fat lambs medium to choice $13.25 to $15.60; yearling wethers, medium to choice $10.75 to $13.40; fat ewes, common to choice $7 to $9.50.

Grain prices quoted March 15: No.1 dark northern Minneapolis $1.37 to $1.42. No.2 red winter Chicago $1.33 to $1.34. Kansas City $1.29 to $1.30. No.3 red winter Chicago $1.30 to $1.32. No.2 hard winter Chicago $1.35 to $1.38; Kansas City $1.31 to $1.37. No.3 mixed corn Chicago 67 to 69¢; Minneapolis 65 to 67¢; Kansas City 67 to 70¢. No.3 yellow corn Chicago 68 to 69¢; Minneapolis 69 to 71¢; Kansas City 71 to 73¢; No.3 white corn Kansas City 67 to 70¢. No.3 white oats Chicago 43 to 44¢; Minneapolis 43 to 44¢; Kansas City 46 to 48¢.

Average price of middling spot cotton in 10 designated markets advanced 4 points, closing at 13.46¢ per lb. March future contracts on the New York Cotton Exchange advanced 4 points, closing at 13.70¢ and on the New Orleans Cotton Exchange they advanced 13 points, closing at 13.83¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar.15,	Mar. 14,	Mar. 15,1926
20 Industrials	160.03	161.43	150.65
20 R.R. stocks	126.01	127.14	109.03

(Wall St. Jour., Mar. 16.)

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Vol. XXIV, No. 63 Section 1 March 17, 1927.

THE PRESIDENT CONSIDERS SEED LOAN PLAN

The press of March 16 says: "Advances by the Intermediate Credit banks of 'seed' loans, in lieu of the appropriation for that purpose lost in the deficiency bill which failed to pass Congress, was proposed to President Coolidge March 15 by Farm Loan Commissioner Williams. He suggested that where the farmers were without collateral the loans be made upon warrants to be issued by the counties in the drought and storm stricken areas. The appropriation which was lost was for $8,600,000. The proposal was taken under advisement."

FARM TAX RECEIPTS

A dispatch from Kansas City, Mo., to the press to-day says: "Federal income tax returns have been filed by 73,000 persons in the western district of Missouri. Several thousand more are expected before the end of the week. The total number of returns is almost 10 per cent less than last year, when more than 80,000 citizens filed. Collector Crooks believes the total payments will exceed $17,000.000 in this district, an increase of $1,000,000 over the 1926 payments. An Omaha dispatch says: "Nebraska farmers and business men are not in such bad condition as they have been pictured, according to the number of income tax returns filed at Omaha. While nothing is known yet as to the amount paid in the State, the number of persons paying this year is more than 10 per cent greater than last year. Forty-five thousand Nebraskans paid income taxes last year, while this year more than 50,000 have filed returns."

CATTLE GLAND GRAFTING

A Paris dispatch to the press to-day says: "Dr. Serge Voronoff, gland specialist, in an address before the Anglo-American Press Association yesterday, described his recent experiments in grafting glands on cattle, which he believes may revolutionize cattle breeding. By operating on young sheep he added sixteen pounds to their weight, he said, increased the wool yield and prolonged their lives by six years. These tests were made under the auspices of the French Ministry of Agriculture."

SUGAR QUARANTINE URGED FOR CUBA

A Havana dispatch to the press to-day says: "The congress of sugar technologists in session at Havana yesterday recommended that Cuba establish a quarantine to prevent introduction into Cuban fields of diseases and parasites now unknown in the Republic...."

THE DEPARTMENT FLOWER SHOWS

In an editorial on the amaryllis show, The Washington Star yesterday said:"...The gaining popularity of the Government flower shows is indicated in many ways. Members of Congress who have visited the amaryllis show have expressed themselves as favorable to an appropriation for a large conservatory in which the Department of Agriculture can hold its flower shows...."

Section 2

Agricultural Product Uses

An editorial in The Nebraska Farmer for March 12 says: "It has been pointed out repeatedly that failure to increase the uses, and hence the demand, for agricultural products is one good reason for the troublesome surplus. Despite this, we seem bent on throwing up barriers in our own country against the practical use of certain manufactured products that would materially increase domestic as well as foreign consumption, and give us some substantial relief from the marginal surplus that affects the price of a whole crop. An illustration in point is that of corn. Eighty per cent of the corn crop is consumed in the county where it is grown. Only 10 per cent reaches primary markets and this governs the price of the whole. So it is with this that we primarily are concerned. The export market is limited, only about 2 per cent of the entire crop reaching foreign consumers. This amount will not be greatly increased, if for no other reason than that certain other corn-growing countries produce more cheaply than we can. Argentina, for instance, having very limited domestic demand, is obliged to export much of its crop, and, in competition with us, undersells our product materially. Also, the foreigner in his own country is not a consumer of much corn except after it has been processed. At home, a different condition exists. There is an increasing demand for the manufactured products of corn. The corn products industry refined over 70 million bushels during the year 1925, or 27 per cent of the ten year average receipts at primary markets sold for cash. This was done in spite of certain very definite governmental barriers that exist against the use of corn sugar in the manufacture of food products. Were these barriers raised it is conservatively estimated that a market for 20 million more bushels would be provided. A bill looking toward this was introduced by the late Senator Cummins of Iowa. It was not acted upon....At least $4,000,000 worth of Nebraska corn is purchased annually by the corn products manufacturers. This amount can be increased and the benefits therefrom will accrue largely to growers. Why then, in the name of common sense, raise unnecessary barriers against a more general use of corn, and thus discriminate against ourselves?"

Baking Corporation Resignation

An Associated Press dispatch from New York March 15 says: "The sudden resignation of George S. Barber as chairman of the directors of the $100,000,000 Continental Baking Co. was viewed in financial circles March 15 as the final step in the elimination of the Ward Baking Co. from the affairs of the Continental....Mr. Barber, who had been placed at the head of the Continental Company by the Ward interests, had aimed at a gigantic baking consolidation. His plan was blocked by the Government. A consent decree forbade the merger.... Mr. Barber will continue to remain a director and a member of the finance committee. He had been chairman of the board since formation of the corporation in 1924."

Cotton Market

The New York Times of March 16 says: "Distribution of cotton throughout the world is proceeding at a rate which, it was said in trading circles last week, would probably result in absorption of last season's record American crop of more than 17,000,000 bales. Those who support this view hold that purchasing by consumers is only beginning to be felt, buyers having hiterto waited for further declines in prices before contracting for supplies. They also point out that exports of cotton from the United States in the first half of the current cotton year neared the previous high record...."

Economic Chart Publication — The New York Times of March 16 states that Redmond & Co., New York, has published an annual World Economic Chart for 1926 showing the financial, commercial and general economic development of thirty-eight foreign countries and the United States. The report says: "The United States leads the world in wealth per capita with an average wealth of $2,910, and is followed by Switzerland with $2,800, Canada with $2,675, the United Kingdom with $2,662 and Australia with $2,585. Other facts are shown by a comparison of the wealth, debt, national receipts and expenditures, imports and exports, bank deposits, gold reserves, currency circulation and many other tables. The figures all are taken from the latest statistics available and are for the most part official. They show the enormous amount of money that this country has lent abroad in recent years...."

Florida Bank Failures — An editorial in The New York Times of March 16 says: "Closing of their doors by six Florida banks during the past week, bringing the total of such suspensions, according to the dispatches, up to sixty since the real estate speculation ended a year ago, may give an impression to the average reader which is not wholly justified by the facts. The news might suggest that the formidable 'credit crisis,' which used in 1925 to be predicted as the inevitable sequel of the excited 'land boom,' was actually upon us with all of its old-time implications in the general banking situation. But that inference would not be warranted; as a matter of fact, the country's credit system as a whole is not in any way reflected in the troubles of the Southern banks. The reason for the difficulties of so many banking institutions in the area of the recent land speculation is apparently threefold. Abnormally sudden and rapid development of money transactions in the State resulted naturally in an equally rapid creation of banking institutions, most of them doing business on a small capital. The last report of the Federal Controller showed that Florida in the middle of 1926 was supporting nearly 30 per cent as many separate banking institutions as New York State, although its population was only a little more than one-tenth of ours....The most interesting conclusion from the course of localized banking difficulties is that they do not bring the consequences which they would once probably have had in the general field of banking. For this change the greatly increased economic strength of the country is partly responsible, but the sounder basis on which the banking system stands, under the present laws, probably has even more to do with it."

New York Wool Trading — An editorial in The Journal of Commerce for March 16 says: "Proposal to take over trading in wool on the New York Cotton Exchange in order to make a market for wool futures is under serious discussion. One question at issue evidently is whether there is sufficient business in forward contracts in this staple to warrant the establishment of such a market. For some time past the absence of any definite wool market for futures has been a subject of comment, but the answer has been made that present methods of dealing in wool and of establishing its price on a spot basis have been sufficient to meet all requirements. The fluctuations in the value of the staple that have occurred within recent years move strongly against any such suggestion, and the recent experience of the American Woolen Company has emphasized the need of means of 'hedging.' Technically the question how to get definite standards of grading wool in order to provide a satisfactory

basis for good delivery presents some difficulty, but there is nothing that need be regarded as insuperable. Before the present system of cotton standards existed the exchange had long since worked out its own basis of classification, which was in many respects superior to that now in vogue. Trading requirements soon develop a system of grading where none previously prevails. Experience with all other staples shows that the establishment of an organized trading market is beneficial to the producer besides furnishing the manufacturer with a means of protecting himself against fluctuations and so of regulating his cost of production upon a stable footing. The proposal to operate in wool should accomplish these results for that staple, and the object is well worth a good deal of initial labor in overcoming technical obstacles."

Section 3

Department of Agriculture

1 An editorial in The Progressive Farmer for March 12 says: "The persistent fight made by the cotton exchanges, spinners, merchants, and speculators, and unfortunately a few producers, to destroy the official cotton crop reports, was at last partly successful in the last session of Congress....The largest changes in the condition of the cotton crop take place in August and September, but for 1927 we have no second report in August. In other words, we will have no report of any changes which take place in the development of the crop in the most important month of August until September 8. This is a concession to the gamblers and makers of private reports. There is little or no need for reports showing conditions in June, which are indicated in the report made July 6. The conditions in July are also of little value in forecasting final yields, as shown in our experience in 1926. These July conditions are shown by the report made on August 8. But with the beginning of August great changes are likely to show and therefore a report should be made as soon after August 15 as practicable, and then one made showing the condition every two weeks until November 15. The schedule of reports shows that we have no report on August conditions until September 8. This is unfortunate, because rapid changes may take place during August and the absence of any official report until September 8 gives the speculators and the makers of private reports too much time in which to manipulate the future markets. However, we still have reports semi-monthly, showing the conditions during September and October, and probably the worst feature of the change is that having prevented semi-monthly reports for August and November, the enemies of these reports, which are the only protection the farmers have, will be encouraged to renew their fight another year in the hope of eliminating those for September and October...."

2 An editorial in The Idaho Farmer for March 10 says: "Movies are always available to those who can pay for them and are popular with everybody. But when a free movie comes along with home folks 'starring' in it the whole town is apt to turn out for it. Tuesday, March 1, was chosen, and propitiously so, for the showing at the Intermountain Institute at Weiser of the films of the farm women's vacation camp held at Starkey Hot Springs last summer. Complete moving pictures of the camp were taken at the time it was held by the United States Department of Agriculture. And as a double feature, a

sequel picture, 'Mother Takes a Vacation,' was shown as part of the entertainment. Two shows were held, all the same as in regular movie theaters, one in the afternoon at 2 o'clock and the other in the evening at 8. 'Mother Takes a Vacation' was filmed near Weiser, the farm and home scenes having been taken at the A.A.Breshears farm east of Weiser and the J.E.Smith farm west of there.....The 'plot' has to do with getting mother off to farm women's camp, after the family has come to the realization that the farm mother is entitled to a vacation with outside contacts and pleasures as well as any of the rest of the members of the family. Miss Mary Ebersole, district home demonstration agent, was in charge of the showing of the pictures. It was a good plot. It was well filmed. It was a good show. We like that kind of movie."

Section 4
MARKET QUOTATIONS

Farm Products

March 16: Top price on hogs at Chicago to-day was $12.05 or 20¢ lower than a week ago. All grades of beef steers declined, the downturn ranging from 25¢ to $1.25. Heifers were steady to 40¢ lower. Cows were 10¢ higher to 25¢ lower, with vealers steady to 50¢ lower. Heavy calves remained steady. Stockers and feeders advanced. Fat lambs, yearling wethers and feeding lambs declined sharply.

Closing prices on 92 score butter: New York 48 1/4¢; Chicago 48¢; Philadelphia 49 1/4¢; Boston 49 1/2¢.

Grain prices quoted March 16: No.1 dark northern Minneapolis $1.38 to $1.44. No.2 red winter Chicago $1.33 to $1.34. No.3 red winter Chicago $1.30 to $1.32. No.2 hard winter Chicago $1.35 to $1.38; Kansas City $1.32 to $1.37 1/2. No.3 mixed corn Chicago 67 to 69¢; Minneapolis 65 to 67¢; Kansas City 67 to 71¢. No.3 yellow corn Chicago 68 to 70¢; Minneapolis 69 to 71¢; Kansas City 71 to 74¢. No.3 white corn Kansas City 67 to 71¢. No.3 white oats Chicago 44 to 46¢; Minneapolis 44 to 45¢; Kansas City 46 to 48¢.

Northern potato prices receded declines amounting to 10¢ to 25¢. Maine sacked Green Mountains closed at $2.40 to $2.85 per 100 pounds in eastern cities. New York Danish type cabbage $20 to $25 bulk per ton in terminal markets. Onions firm. Midwestern yellow varieties $3.50 to $3.75 sacked per 100 pounds in consuming centers; top of $4 in New York City; dealers asking $4 f.o.b. West Michigan points. New York Rhode Island Greening apples fairly steady at $3.50 to $4.75 per barrel in city markets; $3.75 f.o.b. Rochester.

Average price of Middling spot cotton in 10 designated markets advanced 12 points, closing at 13.58¢ per lb. March future contracts on the New York Cotton Exchange advanced 13 points, closing at 13.83¢, and on the New Orleans Cotton Exchange they advanced 15 points, closing at 13.98¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 16,	Mar. 15,	Mar. 16,1926
20 Industrials	161.61	160.03	149.88
20 R.R. stocks	127.26	126.01	108.85

(Wall St. Jour., Mar. 17.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 64 Section 1 March 18, 1927.

DR. EDSON FOR CIVIL SERVICE EXAMINER

The Washington Post to-day reports: "Howard E. Edson, former chairman of the Personnel Classification Board Committee, charged with allocating scientific jobs in the Government Service, and Senior Pathologist in Charge of Vegetable and Forage Diseases of the Bureau of Plant Industry of the Department of Agriculture, yesterday was appointed by President Coolidge to be Chief Examiner of the Civil Service Commission....."

SWINE COMMISSIONER APPOINTED

An Associated Press dispatch to-day from Chicago says: "The extension committee of the National Swine Growers Association announced yesterday the appointment of Robert J. Evans of Chicago, known as 'dean of the hog breeders,' as national administrator of the swine extension plan. The purpose is to mobilize farmers, breeders, packers, retailers, veterinarians, agricultural college professors, county agents and consumers into a unified organization 'to improve the quality of pork and pork products, increase the profits of the swine grower and raise the value of the pork consumer's dollar.'"

SAPIRO-FORD CASE

A Detroit dispatch to the press to-day says: "The motives of Aaron Sapiro as an organizer of farm cooperatives were assailed yesterday by Senator James A. Reed of Missouri in an address to Federal Judge Raymond and the jury trying Mr. Sapiro's $1,000,000 libel suit against Henry Ford and the Dearborn Publishing Company. It was a resume of the things Mr. Ford expects to prove in combating the Chicago attorney's demand for damages which he alleges he suffered by reason of articles published in the automobile manufacturer's weekly periodical. It was a bitter biography, more than 15,000 words in length, and chapter by chapter Mr. Sapiro's organization of farmers' cooperatives in various agricultural fields were dealt with. It bristled with charges, including one that Mr. Sapiro had engineered a sale of Louisville warehouses to the Kentucky Burley Tobacco Growers wherein more than $2,000,000 in excess of the value of the buildings was paid to the warehousemen. The Senator...derided Mr. Sapiro's statements in speeches to farmers that he sought no financial gain in forming cooperatives, and cited large fees that went to him when the cooperatives came into being. He pictured the plaintiff as mentally nourishing a 'dream of wealth and empire,' with an ambition of becoming an agricultural Napoleon....."

BRITISH TRADE ENVOY

An Associated Press dispatch to-day from London says: "The Advertising Association has appointed Sir Charles Higham, author and publicist, as 'advertising ambassador' to the United States. He is charged with persuading Americans to come to Great Britain and to interest them in the advertising drive for British goods to be held at the Olympia in July. Sir Charles sails on his mission on March 25."

Section 2

American Rubber Projects

An editorial in The Wall Street Journal for March 15 says: "Most of us know that Henry Ford welcomed with delight every witticism, good and bad, about the tin lizzie. Without cost to himself he thereby attained the advertiser's ideal. You said 'motor car' and thought 'Ford.' There is a kind of deadhead advertising, at present offering in the public press, which neither in intelligence nor common honesty, is on the same footing with the Ford joke and Henry Ford's use for it. People who talk of growing rubber in Liberia, or in the Philippines in face of the Government report, are talking nonsense and know nothing about the growing of rubber. It may be that the subject has been taken too seriously, and it is suspiciously possible that its real object is to keep the name of some prominent tire manufacturer before the public. The rubber development stories otherwise are not worth serious consideration. If some millionaire is tired of his money and can only learn in the empirical way of trial and error, he can get rid of it rapidly on 'a million acres' in Liberia. It is possible to grow oranges in the State of Maine. They would not be very good oranges and they would be expensive enough to please this entirely fictitious rubber tire millionaire. Liberia has not the labor for rubber, nor is the climate of that peculiar kind which is indispensable for the successful maturity of the trees. All the original seed was smuggled out of Brazil from the humid jungles of the Amazon. It was at last grown successfully in the one climate which could be found exactly resembling its original habitat. When, with this climate requirement, only to be found within a few score miles of the equator, the labor difficulty, successfully handled in Malaya, is considered, the absurdity of the Liberian or Filipino proposition becomes apparent. That labor is perhaps the cheapest in the world. It is Tamil, and the workers are brought from India because there is nothing like a supply of the right quality in the British or Dutch East Indies...."

Boston and Wool Futures

A Boston dispatch to the press of March 17 says: "Although the proposal before the New York Cotton Exchange to establish trading in wool futures, similar to that now carried on in cotton futures does not present insuperable difficulties in the minds of the wool dealers of Boston, there is reason to doubt, it is held, that it would receive the sanction of the wool trade generally. The view prevails that a great deal of preliminary work would have to be done that does not seem likely to be accomplished now. Following the adverse experience of the past two years or more in the wool trade, it is pointed out, any suggestion to lessen the hazard of carrying wool is likely to fall upon attentive ears and in so far as it would give a merchant or manufacturer the opportunity to hedge against possible future losses, the idea is considered excellent. That it is likely to be established as a practicable plan is gravely doubted here...."

Connecticut Tobacco Association Loans

A Hartford, Conn., dispatch to the press of March 16 says: "Tobacco sales announced March 16 by the Connecticut Valley Tobacco Growers' Association aggregated $600,000. With the revenue from this sale and that from other sales in the last eighteen months the association's bank loans have been decreased $7,200,000 and will amount to only $300,000 shortly."

Food Products in 1926

An editorial in The Modern Miller for March 12 says: "A compilation by Ernst & Ernst, accountants, given to the press, shows some interesting facts in nationally known food products firms. One of the best showings is made by the Pillsbury Flour Mills Co., which made net earnings $1,211,300 in 1926, against $1,086,964 in 1925. The International Milling Co. made net $995,463 in 1926, against $759,857 in 1925. These two Minneapolis firms made good earnings increases for the year. Two Pacific Coast mills are listed, the Sperry Flour Co. and the Albers Bros. Milling Co. The net profits of the Sperry Flour Co. in 1926 were $462,905, against $1,010,131 in 1925; Albers Bros. Milling Co. $143,917 in 1926, against $327,642 in 1925. The decrease in earnings of the Sperry Company of $550,000 indicates a bad milling year on the Pacific Coast among the big mills and possibly loss of export trade was a factor in this. Of four large Canadian milling firms listed, three made moderate increases in 1926, as compared with 1925, but some of these eliminated factors of depreciation so that the earnings in several instances were not altogether encouraging...."

Hindu Labor for Florida Rubber Suggestion

A dispatch from Palm Beach to the press of March 17 says: "Importation by the United States Government of several thousand Hindu laborers in order to test the possibilities for developing a rubber industry on the southern cotton lands is advocated by Captain Arthur Herbert Vaughan-Williams, a retired British Army officer and brother of Lady Lauderdale, now in Palm Beach. Captain Vaughan-Williams, who has been experimenting with Turkish tobacco in Florida since last November, believes, with Thomas A. Edison and Harvey Firestone, that this section of country can be made to produce rubber for commercial purposes at a profit, providing the problem of high labor costs can be solved. Mr. Edison is now seeking a solution for this problem in experimenting with rubber plants of the bush type.... But Captain Vaughan-Williams thinks that from a standpoint of production the rubber tree is much more satisfactory...."

Land Bank Loans

An editorial in Ohio Stockman and Farmer for March 19 says: "In recent years we have had occasion to investigate the complaints of several men who said they could get no service from Federal or Joint Stock Land Banks. Here are some extracts from the reports made on these complainants: 'Is not a competent farmer.' 'Not industrious, not really trying to farm.' 'Does not try to keep his premises or buildings in order.' 'A poor manager; has no garden to supply his family.' 'Careless about his obligations and has no credit at home.' 'Does not try to keep up the fertility of his farm.' 'Does not take care of his livestock.' Are the banks right or wrong in refusing to lend money on farms owned by such men?"

Prices

Continued recession of wholesale prices of commodities is shown for February by information collected in representative markets by the Bureau of Labor Statistics of the U.S. Department of Labor. The bureau's weighted index number, which includes 404 commodities or price series, registered 146.4 for February compared with 146.9 for January, a decline of one-third of one per cent. Compared with February, 1926, with an index number of 155.0, there was a decrease of 5-1/2 per cent. In all groups of commodities included in the comparison, except clothing materials, housefurnishing goods, and miscellaneous commodities,

there were decreases in the price level ranging from less than one-tenth of one per cent in the case of chemicals and drugs to 1-1/2 per cent in the case of fuels and 1-3/4 per cent in the case of metals. Clothing materials and miscellaneous commodities averaged slightly higher than in January, while practically no change was shown for housefurnishing goods. Of the 404 commodities or price series for which comparable information for January and February was collected, increases were shown in 104 instances and decreases in 118 instances. In 182 instances no change in price was reported.

Rubber Shipments Shipments of plantation rubber during January amounted to approximately 49,800 tons, an increase of about 4,889 tons over the same period of 1926. Of this total, British rubber, about 88% of which is imported from the Dutch Indies, accounted for 19,951 tons, Malaya foreign imports for 14,995 tons, Javanese plantations supplied 4,016 tons and Ceylon 6,697 tons. All other rubber shipments including wild rubber, 615 tons, and Brazilian rubber, 3,276 tons, amounted to 3,891 tons, according to advices just received by Bankers Trust Company of New York from its British information service. It is estimated that total shipments for the year will amount to 605,000 tons, of which the United States will require 410,000 tons, the United Kingdom 45,000 tons, France, 34,000 tons, Germany 30,000 tons, Canada 21,000 tons, Japan 20,000 tons and Italy 13,000 tons. The balance of 32,000 tons will be taken by other countries. The United Kingdom consumed 3,523 tons of rubber during January and there remained in manufacturers'hands 56,743 tons. The United States consumed 31,529 tons and the stock on hand amounted to 76,172 tons at the end of January. The United Kingdom imported 307,601 tons of rubber during January compared with 257,779 tons imported in the same month last year. Exports totaled 79,310 tons and 103,539 tons in 1927 and 1926 respectively.

Tobacco Cooperation An editorial in The Southern Planter for March 15 says: "We have purposely refrained from publishing the fragmentary reports released from time to time to the press by the receivers of the Tobacco Growers Association, nor have we commented on the receivership since the liquidation of the company's assets got under way. While it may be true that the lawyers are drawing their fat fees and warehouses are being sold for a song, this is no more than was to be expected after the vicious fight to stifle cooperation. So, why not do some thinking, thinking about cooperation; thinking of the lessons to be learned from this experience? We unhesitatingly say that this great cooperative was a success. And this, despite its mismanagement, despite its despoilers, despite the pessimists within and without the organization, despite the narrow-visioned who could only see the bad at all times, and the good--never. Granted that trusted leaders exploited the organization for their own benefit; granted that excessive salaries were paid in many instances; granted that certain officers profited by contracts made with them; granted all this and more, yet these losses were insignificant compared to the millions of dollars of profit which accrued to the members. We assert that this organization demonstrated that the principle of cooperation is right and can succeed. It

showed that by controlling or removing the surplus, a living price could be obtained for main crop. It showed the power of organized selling and orderly marketing. It thoroughly exploded the old myth that business men would not deal with those who undertake to regulate prices. Not only did the large companies buy tobacco in large quantities, but they paid a reasonable price for it--and they found satisfaction in so doing. We, therefore, say to tobacco growers, whether former members of the association or not, why not give this matter of cooperation some real thought? Never mind this failure. We have paid for that. It is water over the dam. Tobacco prices, on most grades, are at their lowest ebb. Can you continue to grow tobacco at these prices? If not what are you going to do about it? Think through this matter of cooperation. It has paid. It will pay again. Rebuild on the ruins. Get together; cooperate."

Section 3

MARKET QUOTATIONS

Farm Products March 17: Chicago hog prices closed at Chicago to-day at $11.80 for the top. Beef steers are unevenly lower, heifers and cows sharing the decline. Vealers declined 50¢. Heavy calves ranged from 25¢ to 50¢ lower. Stockers and feeders advanced slightly. Fat lambs, yearling wethers and feeding lambs declined sharply.

Maine Green Mountain potatoes 10¢ to 35¢ lower at $2.50 to $2.85 sacked per 100 pounds in eastern cities; bulk stock mostly $1.80 to $1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites 15¢ to 25¢ lower at $1.85 to $2 carlot sales in Chicago; mostly $1.65 to $1.75 f.o.b. Waupaca. Texas flat and round type cabbage $2.50 to $3.75 per barrel crate in city markets; $1.22 to $1.25 f.o.b. Texas points. Midwestern yellow onions 10¢ to 25¢ higher at $3 to $3.85 sacked per 100 pounds in consuming centers; asking $4 f.o.b. West Michigan points. New York Rhode Island Greening apples steady at $3.50 to $4.75 per barrel in city markets; cold storage stock $3.65 to $3.75 f.o.b. Rochester.

Closing prices on 92 score butter: New York 47 1/2¢; Chicago 48¢; Philadelphia 48 1/2¢; Boston 49¢.

Grain prices quoted March 17: No.1 dark northern Minneapolis $1.35 to $1.41. No.2 red winter Chicago $1.32 to $1.33; Kansas City $1.29 to $1.31. No.3 red winter Chicago $1.29 to $1.31. No.2 hard winter Chicago $1.33 to $1.36; Kansas City $1.30 to $1.37. No.3 yellow corn Chicago 69 to 70¢; Minneapolis 68 to 70¢; Kansas City 71 to 74¢; No.3 white corn Kansas City 67 to 71¢. No.3 white oats Chicago 41 to 42¢; Minneapolis 46¢ to 48¢; Kansas City 46 to 48¢.

Average price of Middling spot cotton in 10 designated markets declined 15 points, closing at 13.43¢ per lb. March future contracts on the New York Cotton Exchange declined 16 points, closing at 13.67¢ and on the New Orleans Cotton Exchange they declined 22 points, closing at 13.76¢.(Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIV, No. 65 Section 1 March 19, 1927.

THE PRESIDENT FORESEES TAX CUT

The press to-day says: "President Coolidge expressed yesterday the opinion that a good-sized tax reduction would be made by the next Congress if there was no business recession in the meantime which would wipe out the expected Treasury surplus accruing from the present tax law. Previous to this declaration Senator Smoot, chairman of the Senate finance committee, who with other Republican leaders has been studying economic and political questions since Congress adjourned, estimated that the surplus would reach as high as $600,000,000. If this figure was reached, he said, Congress would be justified in reducing taxes $500,000,000, with special relief being afforded to corporations and those paying the medium surtaxes....."

CANADIAN PREMIER FOR RECIPROCITY

Associated Press dispatch to-day from Ottawa says: "Reciprocity between the United States and Canada so far as affects exchange of 'natural products' is a part of the Dominion's trade policy, Premier Mackenzie King declared yesterday in the House of Commons....If favorably entertained, some time would have to elapse before an agreement could be made and brought into effect. It would require action by the United States Congress as well as by the Canadian Parliament...."

REFRIGERATION DEVELOPMENT REPORTED

A St.Augustine, Fla., dispatch to the press to-day says: "August Heckscher announced yesterday that he would soon bring out a refrigeration invention based on the carbon dioxide theory, which would revolutionize refrigeration throughout the world. He would make little comment upon the actual workings of the device other than that its novelty was in the fact that the chemicals, akin to liquid air, could be kept indefinitely in the containing device and said could be produced cheaply in mass production. 'It is only a matter of a few weeks or months before it will be possible for you to buy ice cream from your favorite chain grocery store, take it home, eat what you want of it and keep the remainder indefinitely,' he said. 'As a result of this development,' Mr. Heckscher said, 'will be the complete change of the status of food shipment and preservation. A carload of fish under the new method may be sent from the seaboard to Kansas City at half the present cost and absolutely without spoilage. Shipment of vegetables and meat will be completely revolutionized to the immense benefit of tropical countries.'"

DIVERSIFIED PRODUCTS URGED

An Associated Press dispatch to-day from Atlanta says: "Diversification of agricultural and industrial products and increased distribution of American goods to other nations through more liberal credit were urged by speakers at the first regional southeastern foreign trade conference at Atlanta yesterday...."

Section 2

Brazil to Seek Advice on Cotton

A Rio de Janeiro dispatch to the press of March 18 says: "The Government of Brazil will seek the advice of experts on cotton culture concerning the development of a local cotton growing industry, according to a report sent to the Department of Commerce of the United States March 18. Under a recent decree the President of Brazil is authorized to grant a subvention not to exceed 200 centos of reis to the Empire Cotton Growing Corporation of England, or to any other body expert in the culture of cotton and having a knowledge of the cotton industry, whom the Ministry of Agriculture may engage to come to Brazil to make a study of the best methods to be employed there for the cultivation of cotton."

Dairying in Oregon

An editorial in The Oregon Farmer for March 10 says: "Roughly speaking, dairying in Oregon gained 50 per cent between the census years 1919 and 1924 and now is worth (gross) some $25,000,000 or $30,000,000, according to L.R.Breithaupt, extension specialist in economics at the agricultural college, who reviewed the industry for dairymen at the annual meeting of their State association. As compared with 1919, Oregon has more young stock than any division of the country except the mountain and Pacific groups of States. Her rate of increase is faster than Washington's, but does not equal that of California, Nevada, Wyoming, Idaho, Utah or Montana. Oregon has somewhat less than 1 per cent of the dairy cattle in the United States, but on a per capital basis she has one-third more cows (one for every four persons) than any major division of the United States except the north central group and more than the average for the entire country. She has 40 per cent more cows per capita than Washington and nearly twice as many as California. Of the mountain States, only four exceed Oregon in per capita cow population, namely, Idaho, Wyoming, Montana and Nevada. As for young stock, Oregon has more in proportion than dairy cattle--about 1.2 per cent of the total of the country."

Diversified Farming in Kansas

An editorial on diversified farming in Kansas in Topeka Capital for March 10 says:"....Diversification and cooperative marketing are the best solution of the farm problem, so far as farmers can solve it, and progress is slow in both respects. There are limits to what can be accomplished for the general good of agriculture by diversification. Southern cotton planters may cut down their acreage and raise corn or other products, but if this is carried very far the other sections raising such products must suffer from such competition. In Kansas the best line for diversification is in dairying. The same thing is true, however, in the Northwest, where in the last few years there has been a large expansion of the dairy industry, especially in North Dakota, and it is evident that if the Northwest and Middle West go heavily into dairy cattle, this line is likely to be overdeveloped. Nevertheless there is room for a good deal of expansion of the dairy industry in Kansas, and one of the results of a highly developed dairy industry in this State will be a considerable increase in the consumption of milk, as has been the case in Wisconsin....There is also room for a great expansion of the poultry industry of Kansas, if it were organized as it has been in California, trainloads of whose poultry products pass through Kansas every week on the way to eastern markets. These are about the only important lines in which much help can be

looked for by diversified farming in Kansas, but they are worth all the attention that can be given them. Kansas takes some pride in being the premier wheat State of the country, but does not make as much out of it as could be made by maximum diversification of farm products."

Egg Production An editorial in The Chicago Dairy Produce for March 8 says:"... In eggs and poultry there is increased production, but at that Government students of the proposition conclude that there will be little change in price trends from last year. Just now there is a big increase in stocks of dressed poultry, and as there is no decrease of production or marketing of poultry and none expected, the excess stocks will exert a depressing effect upon the market. It is pointed out that egg production has been increasing since the World War, the increases being very heavy in specially organized sections. Consumption is quickly and greatly increased by favorable prices to the consumer, and any reduction of price can be met by methods that will reduce the cost of production, leaving the percentage of profit to the producers undisturbed. Production cost is a matter that the eggs and poultry producers must consider now to meet the rapidly increasing production, that is specially noticeable on the Pacific Coast and in the New England States."

Georgia's Progress Manufacturers Record, for March 17 contains an article on agricultural progress in Georgia, as demonstrated by its "Cow, Hog and Hen Week. "This says: The celebration in Georgia last week had a twofold purpose: First, it aimed to drive home to the farmers more forcibly than had ever been done before the absolute necessity for diversification on the farm; second, to teach the 'small town' bankers and merchants that neither they nor the farmers can prosper unless they cooperate with the farmers as fully as they can in carrying out a diversification program. The Georgia Association, moving spirit back of the Cow, Hog and Hen Week, has published statistics showing that Georgia's annual consumption of creamery butter is 50,000,000 pounds, while its annual production is only 5,000,000; its annual consumption of beef is 191,000,000 pounds, while its production is only 98,000,000; its annual consumption of pork is 264,000,000 pounds, while its production is 66,000,000 pounds; that the story of eggs, poultry, corn and hay in the State is the same, and that, to sum up, Georgia annually imports from $150,000,000 to $160,000,000 worth of farm and dairy produce that should be raised, sold and consumed within the State."

Grain Production An editorial in The Iowa Homestead for March 10 says: "The production of grain for the cash market in 1927 is likely to prove much less profitable than the selling of it through good livestock. There will be room for all the hogs that are likely to be produced in 1927, and at good prices as compared with cash grain. It is impossible to predict how many pigs will be produced next fall, but we look for a substantial increase as compared with last fall. This will probably be followed by a larger crop in the spring of 1928 than will be raised this year. This, in turn, will increase the demand for corn and tend to raise the price of grain crops. On the other hand the demand for grain as horse feed is on the decline and probably will

be for years to come. This decrease in consumption of horse feed is something the farmer must not overlook. Whenever possible the oat acreage should be reduced....It is not likely that the foreign demand for grain crops will increase. Canada, for example, is expected to increase her wheat acreage and the same is true of Argentina and Australia. A very large crop of flax has just been harvested in Argentina. Prices of butterfat, wool, lambs and poultry products are such that these products will afford a much better outlet for our grains than the cash market will bring at any time this year."

London Wool Auction

An Associated Press dispatch March 18 says: "At the wool auctions held at London March 17, 12,424 bales were offered, of which 11,400 were sold. There was a spirited sale to the home and Continental trade at firm rates. France was active. Among superior greasy merinos, Capes were in good demand, realizing 5 to 7½ per cent above February prices. There were a few withdrawals owing to owners' high limits."

South and Cotton Spinning

An Atlanta dispatch to the press of March 18 says: "Dixie now has more cotton spindles in place than New England, figures made public March 17 by the Southern Railway's textile directory shows. Southern cotton mills also were said to have consumed more than 70 per cent of raw cotton manufactured into finished goods in this country in 1926. The South had 184,738 more spindles in operation as of March 1, 1927, than did New England mills, the directory said, while the South's present spindleage is estimated at 17,936,264, or 47.95 per cent of the Nation's total. The South gained 189,140 spindles in 1926, while other sections lost approximately 656,604."

Standardization of Crops

An editorial in The Pacific Rural Press for March 12 says: "If you grow beans, rice, hay or other field crops roll up your sleeves and join the battle to pass California State Senate Bill 348 by Boggs. The San Francisco Chamber of Commerce may not like this bill for it puts their grades and their certificates under scrutiny of the director of agriculture, with power to revoke their grading privileges if they do not live up to his ideals. Nor will the northern division of the California Bean Dealers' Association necessarily relish the thought of the Department of Agriculture looking over the association's shoulder at the sort of beans they have been selling for 'choice.' But the buyers of hay and rice and beans in eastern markets will doubtless like it if the bill passes and if the director of agriculture creates grades which mean something in the way of standardized quality. It looks as if various dealers would be 'agin' it, but the southern division of the California Bean Dealers' Association deserve a kindly word for they favor the reform. Meanwhile there seems to be no reason why every grower should not peel his coat and work for the bill."

Tobacco Cooperatives

An editorial in The New England Homestead for March 12 says: "The present agitation among tobacco growers is a good thing. Out of it may emerge cooperative marketing upon such a profitable basis that every reliable grower may seek to get in, and if admitted will be careful to stay in as long as it pays better than to be 'outside the breastworks.' Mutual confidence may then insure a loyalty that will stick to the ship through storm or calm. The ruction now going on

among tobacco growers is not nearly as serious as often occurs in labor unions or commercial groups. More individualistic than such people, tobacco growers are blessed with more commonsense. After talking it over and thinking it out, they should be able to 'iron out' their differences. Thus they may insure the collective strength to cooperate in successfully marketing their crops to the powerful trusts which fabricate leaf and sell it to the consumer."

Section 3
MARKET QUOTATIONS

Farm Products March 18: Livestock quotations on top price of hogs at Chicago at $11.80.

Maine sacked Green Mountain potatoes $2.50-$2.85 per 100 pounds in eastern cities; bulk stock $1.75-$1.85 f.o.b. Presque Isle. Wisconsin Round Whites $1.80-$1.95 carlot sales in Chicago; $1.60-$1.75 f.o.b. Waupaca. Texas Flat and Round type cabbage $2.50-$3.50 per barrel crate in consuming centers; mostly $15-$16 bulk per ton f.o.b. Texas points. New York Rhode Island Greening apples $4.25-$4.75 per barrel in a few markets; $3.90 f.o.b. Rochester. Baldwins $2.75-$3.75 top of $4.25 in Chicago; $3.50-$3.75 f.o.b. Rochester. Midwestern sacked yellow onions $3.50-$3.75 per 100 pounds in city markets; asking $4 f.o.b. West Michigan points.

Average price of Middling spot cotton in 10 designated markets advanced 4 points, closing at 13.47¢ per lb. March future contracts on the New York Cotton Exchange advanced 7 points, closing at 13.74¢, and on the New Orleans Cotton Exchange they advanced 8 points, closing at 13.84¢.

Closing grain prices: No.1 dark northern Minneapolis $1.35-$1.41. No.2 red winter Chicago $1.33; Kansas City $1.29-$1.31. No.3 red winter Chicago $1.31. No.2 hard winter Chicago $1.34; Kansas City $1.30-$1.37. No.3 yellow corn Chicago 69-70 cents; Minneapolis 68-70 cents; Kansas City 71-74 cents. No.3 white corn Kansas City 67-71 cents. No.3 white oats Chicago 42-45 cents; Minneapolis 44 cents; Kansas City 46-48 cents.

Closing prices on 92 score butter: New York 46¢; Chicago 45½¢; Philadelphia 47¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets March 17: Twins 22¢; Single Daisies 22¾¢; Longhorns 22½¢; Square Prints 22½¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 18,	Mar. 17,	Mar. 18,1926
	20 Industrials	160.68	161.78	146.32
	20 R.R. stocks	126.63	128.07	106.78

(Wall St. Jour., Mar. 19.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 66 Section 1 March 21, 1927.

SENATOR WATSON ON AGRICULTURE An Associated Press dispatch March 20 from Chicago quotes Senator Watson of Indiana as saying: "Agricultural relief is the greatest problem facing the country to-day. Agriculture must be brought to a level with industry and labor, but this can not be accomplished without a high protective tariff....."

THE SAPIRO FEES A Detroit dispatch to the press of March 20 says: "The ideas on cooperative farming that came to Aaron Sapiro twelve years ago were worth more than $1,000,000, he admitted March 19. He denied, however, that this sum had gone to him alone, as charged by Senator James A. Reed in detailing the things Henry Ford expected to offer as reply to Mr. Sapiro's suit for $1,000,000, alleging libel....'The sum of $1,000,000 in fees,' Mr. Sapiro said, 'mentioned by Senator Reed covers the entire period from 1915 to date. It went to the attorneys associated with me, and at one time I had twelve lawyers and two offices as part of the legal staff necessary to the organization and maintenance of the various cooperative marketing associations. It is not true that the sum went entirely to me.'...."

CANADA TO CONFER ON RADIO An Associated Press dispatch March 20 from Ottawa says: "C. P. Edwards, Director of Radio, and Alexander Johnson, Deputy Minister of Marine and Fisheries, left for Washington March 19 to confer with members of the Federal Radio Commission regarding the international allotment of radio wave-lengths and other broadcasting problems. It is probable that claims will be made for the exclusive use of at least twelve wave-lengths instead of five as at present. Alleged 'pirating' of Canadian wave-lengths also will be discussed."

GERMAN FOOD TARIFF ASKED A Berlin dispatch to the press to-day says: "Minister of Agriculture Schiele made a strong speech in the Reichstag last week in favor of agrarian import duties. He declared that 'food imports mean the lockout of German labor.' Further, he pronounced it impossible for Germany to pay permanently for foreign food in view of her liabilities to foreign countries for reparations and German loans."

DEPRESSION SEEN IN EUROPE An Amsterdam dispatch to the press to-day says: "The general fall in prices throughout the financial world, and especially in Europe, continues to attract attention here. It is still considered as a typical symptom of a period of depression which has not yet ended. There is also a feeling that the decline in money is a natural result of the contraction in money circulation which has lately occurred in most European countries after a prolonged period of inflation...."

Section 2

Canadian Wheat Pools

An editorial in The (Indiana) Farmer's Guide for March 19 says: "At a recent banquet in Regina, Premier J. G. Gardiner, of Saskatchewan, Canada, had the following to say, among other things, concerning the Saskatchewan wheat pool: 'The wheat pool has one of its best friends in the Government of this Province. During the time I have been Premier of this Province and more especially since the time I became Provincial Treasurer, I have come also to believe that it has as its friends the great financial organizations of the Province, the business and the financial houses. And why shouldn't it have these friends? It has stabilized agriculture and it has stabilized finance. It has made us do for ourselves what others used to do for us.' From the foregoing, one can get an idea of the standing of the cooperative movement in Canada. In Saskatchewan, more than 80 per cent of the wheat is marketed through the pool. It is interesting to speculate as to what the Central States Soft Wheat Growers' Association could accomplish if they could get 80 per cent of the growers in their organization. The control of a large percentage of the amount of any commodity produced in any given territory is one of the vital factors in the success of any cooperative. All of which prompts the observation that in our own country the largest class of people who seem to remain unconvinced as to the soundness of cooperative marketing is the men who produce the crops--the very ones who presumably would benefit most from the widespread adoption of this plan of merchandizing farm products...."

College Education and Business Training

The New York Times of March 19 says: "A proposal that the college professor exchange his chair for the desk of a business man in lieu of exchange fellowships was made by Dr. Charles Gray Shaw, Professor of Philosophy at New York University, at the annual dinner given by the faculties of New York University in honor of Chancellor and Mrs. Elmer Ellsworth Brown March 18 at New York....Doctor Shaw expressed the opinion that : 'Instead of having professors exchange chairs in their respective colleges, it would be better to have the professor swap his chair for the desk of a business man. Business men do not know the rules of the syllogism, but they reason better than teachers of logic. They have to do it. These men of affairs may not be so familiar with foreign languages, but they speak and write better English than those who teach rhetoric. They have to, or business would fall off or go to the wall. The captain of industry is doubtless so weak in economics that he would flunk a sophomore examination, but he knows how to make the thing the professor talks about.' Doctor Shaw continued: 'The great need of education is less of it, less education and more energy. Since the college is among the oldest institutions in the world, it may be expected and allowed to cling to tradition, but it ought to set up practical relations with the world, not for the world's sake but its own.'...."

Farmer and Business Man

An editorial in The Dairy Record for March 9 says:"....There are times when the attitude of some of the heads of large corporations does not appear to be entirely aympathetic with the farmer's lot, but we are inclined to believe that this condition is due to a misunderstanding rather than to a feeling which is inimical to the farmer's interests. The farmer is a huge buyer of almost everything that big corporations manufacture and, since he can not buy if he has not the

wherewithal, it seems hardly logical that 'Big Business' derives any satisfaction in seeing him lacking in prosperity. We do not say that the farmer has been given an 'even break' with the business man in every respect, but we do believe that, in many cases, the failure of the business man to accept the farmer's viewpoint is due to the fact that that viewpoint has never been clearly explained. Agriculture, seeking to make the city man understand its problems, instead of pressing its case to the business man has forced the business man to go to the farmer to find out just what it was all about. Agriculture, to-day, needs, more than anything else, sound leadership--the kind of leadership which springs from the dairy barn and the feed lot, rather than from the offices of small town politicians. We believe that if a group of actual farmers were to sit at a table with an equal number of big corporation heads, there would be a better understanding of the farmer's problems, even if that farm group were made up of men with only limited educations, than if the agricultural industry were represented by a clique of men whose closest acquaintanceship with a farm was an experience in handling farm mortgages or in promoting speculative land enterprises. The plain, simple recital of a practical farmer would carry far more weight with a business man than the oratory of the spell binder, or we miss our guess, for the business man is not as inclined to be impressed by 'high-pressure' speeches and pretty pictures as is the farmer, himself. It may be that the day is not far off when such a conference will come to pass, for the real farmer, like the city business man, is becoming awfully sick of the mouthy platitudes of the self-appointed farm leader, and there may yet come a day when the farmer and the business man will sit together and discuss problems of mutual interest."

Germany and Russian Credits

A Berlin dispatch to the press of March 19 states that Germany will not renew her agreement to extend to Russia credit to the extent of 300,000,000 marks on purchases of German goods, according to the belief of the Vossische Zeitung. The present compact expires March 31.

Pugsley on Dairy Industry

An editorial in Guernsey Breeders Journal for March 15 says: "Among the possible future problems facing the dairy industry, and which naturally confront the breeder, is the one of reaching the point of overproduction. In a recent address delivered by Charles W. Pugsley, president of the South Dakota State College and formerly Assistant Secretary of the United States Department of Agriculture, he said: 'It is not inconceivable that the dairy farmer may find himself in the same predicament at some future time as the cotton and grain farmers find themselves. There are several factors which will delay the day of reckoning among the dairymen. First, increase of population, and second, learning to use more milk per capita.' In the past decade our population has increased from 99,000,000 to 115,000,000, while our per capita consumption of dairy products has increased from 790 pounds of whole milk equivalent to more than 1,000 pounds. At the same time that this increase has been going on, there has also been another factor entering the problem, and that is increases in efficiency. Formerly it required 225 cows per 1,000 consumers, while now 204 cows will take care of the same number of

consumers using a greater amount of dairy products. It is apparent from these figures that the point of saturation is still far in the future. Also that the best way to meet this future problem is to plan for it now. Mr. Pugsley suggests two methods: First to continue our education among the people upon the value of milk and milk products in the diet, certainly a field in which lie great possibilities. Second to increase profits by reducing expenses in the management of the herd. This may be done by increasing the output with the same expense or by decreasing the expense for the same output. But much better to use a combination of both of these; namely, better management and higher production for each cow yearly. The control of the plane of the output is to a large extent in the hands of the breeder. The higher the production per cow, the less number of cows it is necessary to keep to make a profit. By testing and culling to the extent that all cows will be good producers, it will be possible to maintain the same sized herd capable of producing sufficient milk and butterfat to supply the demand. In this way the expense may be decreased and the profits increased."

Radio Licenses The press of March 19 reports that the Federal Radio Commission will not issue permanent licenses to broadcasters to continue operating on their present wave bands until after the public hearings scheduled by the commission for March 29, 30, 31 and April 1. So lengthy a study must be made of the various technical problems entering into the problems affecting broadcasting that the commission has decided not to issue any broadcasting licenses of permanent character until the views of broadcasters can be learned through personal testimony and by replies to the questionnaires which are to be sent out next week. In the meantime all licenses issued to radio operators as individuals, valid at the time of passage of the new radio law, February 23, have been extended for the unexpired period of such licenses. This order applies principally to persons holding operator's licenses for ship communication and to the great army of radio amateurs, of whom there are about 20,000 in the United States. All of the latter class have successfully passed the examinations for their grades and the commission feels it unnecessary to impose a second examination before expiration of the licenses now in force.

Section 3

Department of Agriculture An editorial in The Northwestern Miller for March 16 says: "The Department of Agriculture, through its Press Service, recently issued a special bulletin on the subject of 'Meat Proteins Enhance Food Value of Cereals.'....This press release is in accord with the department's other activities in behalf of animal foods, recently emphasized in the dissemination of handsomely designed posters telling of the food value of a meat diet. These are to be found hanging in the lobbies of post offices and corridors of other public buildings throughout the country. No fault is to found with this. Meat certainly is a sound and wholesome food, and its consumption in increased quantities would undoubtedly serve the interests of stock raisers and, incidentally, of packers and distributors. It is, however, unhappily true that as the public eats more meat it is bound to eat less bread and other foods, man's total intake being limited by nature to certain very definite requirements. It would, therefore,

be no more than fair if the Department of Agriculture, in its praiseworthy desire to be helpful, should for each stroke on the iron bestow one on the anvil. Bread, too, needs friends. A complementary press release entitled 'Bread Proteins Enhance Food Value of Meats' would be welcome. And surely millers and bakers, being by nature quite as capable of gratitude as packers and butchers, would like to see post offices embellished with a few handsome posters of bread, rolls, cakes, and perhaps an occasional pie. If the Government is to care as a parent for any of its industrial children, it should care as a parent for them all."

Section 4

MARKET QUOTATIONS

Farm Products March 19: Chicago livestock quotations: Top price on hogs was 45¢ lower than the week earlier. Beef steers closed 25¢ to 50¢ lower for the week excepting on the lower grades. Fat cows and heifers declined with steers, vealers closed 50¢ lower, bulls strong to 25¢ higher, and stockers and feeders closed firm. Fat lambs and yearling wethers declined 25¢ to 40¢, sheep holding steady, and feeding and shearing lambs slumping 75¢. Closing prices on good grade fresh western dressed meats at New York, as compared with a week earlier, are, steady to 50¢ higher on steer beef, $1 to $2 lower on veal, $1 higher on lamb, $1 lower on mutton, from $1 to $2 lower on light pork loins, and steady to $1 lower on heavy pork loins.

Maine Green Mountain potatoes sold 5¢-45¢ lower sacked per 100 pounds in eastern cities; bulk stock 30¢ lower f.o.b. Presque Isle. Wisconsin sacked Round Whites 15¢-20¢ lower at Chicago in carlot sales; mostly $1.60-$1.70 f.o.b. Waupaca. Cabbage markets irregular. Texas Round type ranged $2.25-$3.50 per barrel crate in terminal markets; $15-$17 f.o.b. Texas points. Apple markets dull. Baldwins $3.50-$4.25 in a few markets; $3.50-$3.75 sacked per 100 pounds in consuming centers; 1 car $3.90 f.o.b. West Michigan points.

Average price of Middling spot cotton in 10 designated markets declined 15 points during the week, closing at 13.49¢ per lb. March future contracts on the New York Cotton Exchange declined 14 points, closing at 13.72¢, and on the New Orleans Cotton Exchange they declined 4 points, closing at 13.85¢.

Hay martets weak but lighter receipts causing firmer undertone. Slack demand resulted in heavy carryover in some markets. Alfalfa demand slack. Good quality green leafy hay wanted for dairies. Prairie about steady, prices lower grades declined.

Feed markets weakened by the dull consuming demand during the past week. Prices slightly declined on most feeds. Production of wheatfeeds and linseed meal slightly larger. Offerings of cornfeeds increasing. Stocks of cottonseed meal much below last year.

Butter markets were generally weak during the week ended March 19: Foreign butter was an important factor with additional arrivals and anticipated further shipments dominating the situation and forcing prices downward. Sharp declines featured the close, although the statistical position remains firm.

Cheese markets were somewhat steadier and prices on the cheese boards at Plymouth, Wisconsin, on March 18, were unchanged. Trade continued quiet but was slightly improved. Conditions now point to increased production, but the make is considerably lighter than a year ago. (Prepared by Bu. of Agr. Econ.)

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Vol. XXIV, No. 67 Section 1 March 22, 1927.

THE SAPIRO-FORD CASE

A Detroit dispatch to the press to-day says: "Henry Ford personally was the power back of the alleged libels which Aaron Sapiro charges damaged him to the extent of $1,000,000, according to a charge made yesterday when trial on the suit was resumed before Federal Judge Raymond and a jury. A short time later, the court ruled that the attitude of Mr. Ford toward the Jews as a people would be excluded from the trial, but that his views on Mr. Sapiro and his assistants could go into the record....Balancing the setback given them by the barring of questioning on this phase of the action, the plaintiff and his counsel scored when they began to dig into the files of The Dearborn Independent....Through the letters the name of the author of the articles, Harry H. Dunn, a former newspaper man, was brought into the record for the first time. Dunn wrote the series of twenty stories, attacking Sapiro as the agent of a 'band of Jews' pictured as 'on the back of the American farmer,' under the pen name of Robert Morgan. Correspondence between Dunn and H.W.Roland, one of the editors of The Independent, was read. In letters to the Ford periodical Dunn said that the job of fastening 'something' on Mr. Sapiro for his work in the case of the California cooperatives was proving the 'hardest story I ever handled.' He advised the editors that, while he was convinced that Sapiro had 'skinned the farmers out of thousands,' he had discovered that it was not the 'Jews' alone who were gathering in the 'graft.' There were some Gentiles, according to Mr. Dunn, who were proving pretty active along that line. Another thing that made the assignment difficult, he advised The Dearborn Independent editorial staff, was the satisfaction of the farmers with the Sapiro-organized cooperatives. Despite all the 'skinning' and 'grafting,' the farmers were making more money than they had ever made and were reluctant to provide any anti-Sapiro ammunition...."

GERMAN FARM COLONIZATION

The New York Times to-day says: "Among the various activities of the German Federal and State Governments aimed at reducing unemployment and increasing the Nation's food supply is that of promoting the settlement of city folk on the land and enabling farmhands to establish little farms of their own. Even before the World War considerable was being done along this line. Since the setting up of the German Republic agitation for cutting up the big Junker estates, especially those not being used to the best advantage, has played a big role in German politics, with the Democrats and Socialists insisting upon drastic legislation in behalf of would-be farmers. In general the big agrarians have resisted the rural settlement plans of the Government on the ground of the sacredness of private property and the alleged inadequacy of the compensation paid by the State for the seized land....."

Section 2

Cotton Over-planting

An editorial in The Washington Post for March 21 says: "Old Latin textbooks, used in the schools throughout the world, carry the assertion that 'experience teaches,' or 'experentia docet.' Many years ago we were assured that 'burned children dread the fire,' which is only another way of saying the same thing. But no burning by fire, and no experience teaches the cotton planter, the wheat farmer or the corn raiser that overproduction is as certain to be followed by reduced prices as it is that summer follows winter. Consequently there is nothing strange in the news published by the Department of Agriculture, and by unofficial observers, wherein the country is advised that all prospects point to an even larger acreage of farm produce than ever this spring....What has become of the movement among the bankers of the cotton States who were to have conducted a campaign to curtail the cotton acreage to be planted? Visitors returning from the Cotton Belt report that every available acre is being prepared for planting, and that notwithstanding the reports of the observers of the Department of Agriculture, who predict increased plantings of wheat and potatoes in the Southern States there is every reason to fear that the cotton acreage will be even greater than last year. The experience gained by the overproduction of the staple during the last two seasons appears to mean nothing in the lives of the southern people. They will plant cotton and mortgage the prospective crops to the storekeepers and the bankers, who in turn will fofget that their fingers were badly scorched by the low prices that prevailed in the cotton markets last year, and which are still far below the figure which the cotton raisers' spokesmen insist is the actual cost of production. The idea that overproduction is a commercial crime will never be admitted by the planter who knows it all. There are no farmers so blind as those who decline to use their own eyes, and none so deaf as those who simply will not listen to the warnings of experience."

Lamb Standardization

An editorial in The Breeder's Gazette for March 10 says: "Robert S. Matheson, sheep buyer in Chicago for Swift & Co., said at the recent Regional Lamb Improvement Conference in Nashville, Tenn., that last year's standardized lambs sold by Kentucky and Tennessee breeders and feeders not only were the best ever marketed by those States, but, in quality, were equal to the best produced in this country. Mr. Matheson's brief statement before some 200 sheepmen and farmers at the conference was a deserved tribute to the work which Tennessee and Kentucky flock-owners, inspired and led by C. C. Flanery, have done in the past few years. No one in the sheep trade at any market is more highly respected for his knowledge of sheep and lamb values and for his sympathetic fairness to producers than Mr. Matheson...The prices received last year for their fat lambs by sheepmen in Kentucky and Tennessee compensated them liberally. At the conference the eye-opening testimony of such men as W.P.Ridley, Joe S. Boyd and Mayhew Dodson indicated that the standardizing program not only is to be continued but carried to the limits of its practical possibilities...."

New German Potash Trust

A Berlin dispatch to the press of March 21 says: "The plan to create a new potash trust to replace the existing syndicate has been furthered by a new agreement between the rival Wintershall and Burbach concerns. The head of the Burbach concern,

Privy Councilor Korte, will join a Wintershall control board, and it is believed that Director Rosterg, chief of the Wintershall concern, will abandon his demand for leadership of the trust. The new trust is favored by Minister of Industry Curtius, who, in the Reichstag last week, rejected the Socialists' demand for more rigid control of industrial combinations and denied the allegation that the combines were putting up prices."

Rubber Production

An editorial in The Wall Street Journal for March 19 says: "Criticizing an editorial which pointed out the real sources of rubber and the insincerity of proposed alternative sources, like Liberia, a reader, states that 'consumers are importing rubber from Liberia and that of the very finest quality,'... In 1926 there were 411,962 tons of crude rubber imported into the United States. Of this quantity exactly 3,619 tons came from West Africa, or 0.8 per cent of the total import. If the reader will divide 0.8 by 14, and work out for himself the distant decimal, he will get the Liberian contribution, which was 262 tons. Compared with the total import, this amounts to what analytical chemists call 'a trace.' Without entering upon the question of its quality, for in quantity it is so 'very fine' as to be virtually invisible, the amount is negligible. Half a century ago, when the original seeds of the rubber plant were smuggled out of Brazil by a man who recently received special recognition from the trade, experiments in growing were made in various parts of the world, mostly under the auspices of the English Horticultural Society. Among these places West Africa was chosen, as being sufficiently near the equator with some jungle spots not unlike those on the Amazon. The results have never amounted to anything worth mentioning, while the success in the British and Dutch East Indies was immediate and virtually complete, allowing for the time which a rubber tree takes to arrive at a profitable sap-bearing age. This talk of growing rubber in Louisiana, Liberia and the Philippines has no serious meaning. Indeed, the Dunlop Tire Company in England, which possesses over 70,000 acres in Malaya and can land rubber in London at a price which would astonish the American consumer, does not use all its resources. The really serious consideration before that company is the possible success of reversing the processes of manufacture by chemical methods, so that scrap rubber could be returned to its pristine elasticity and manufactured. To put it somewhat flippantly, there is the rub in rubber."

Rumanian Grain Purchases

A Bucharest dispatch to the press of March 20 states that several large German firms have placed huge orders for Rumanian wheat, according to the Adeverul. The German Government, it is reported, will lend Rumania the necessary freight cars to move the shipments.

Status of India

A bill has been introduced into the British Parliament which, if it becomes a law, will change the status of India from that of a British colony to that of a self-governing dominion, giving to India, according to advices received by the Bankers Trust Company of New York, the same status as that of the other self-governing dominions such as Canada, Australia, New Zealand

and the Union of South Africa. By the terms of this bill, the Council of India is abolished and the Secretary of State for India will in future have the same relation to the Commonwealth of India as the Secretary of State for the Colonies has to the governments of the dominions. The Viceroy and Provincial Governors of India will have cabinets to advise them consisting of a Prime Minister and a number of Ministers, the minimum to be prescribed by statute. This cabinet will be collectively responsible to the legislatures constituted entirely on an elective basis. The proposed constitution is of a Federal type with autonomous provinces and the powers of the Commonwealth and Provincial Legislature defined.

"Super-Agriculture" "Is Super-Agriculture the Remedy?" is the title of an article by Harris Wescott in The Poster for March. In this the author says: "....The consolidation of units of energy as exemplified in the super-power projects stretching from coast to coast, designed for the enlargement of industrial production, is evidently destined to find its way into the field of agriculture. There is hardly a day passes in which some business speaker or some business writer does not hint at this probability. Perhaps the complete idea has not yet taken definite form, but it is on its way. In other words, having reached the age of super-power, apparently we are shortly to reach the age of super-agriculture. It will be the age when the principles involved in mass distribution will be applied to production. There will be scientific mass production of the foods we require! The methods that are being used in railroad combinations, in manufacturing mergers and public utility super-power projects, will be adapted to the agricultural field. The same efficiency in management which on a large scale is procurable in the industrial marts, will be procurable in the agricultural domain. There will be an effort to solve the so-called agricultural problem through the employment of machinery on a wholesale scale. Large combinations of capital, officered by competent farmers and business men, and managed with the same efficiency that marks other industrial enterprises, will take over large areas of agricultural land and produce the food for the Nation and for export.. .It seems conclusive, then, that what agriculture is coming to in America is large scale development and management, with the introduction of the same efficient methods of operation in the most minute details as are to be found in any large scale manufacturing establishment. In the final analysis it is the farmers themselves who will bring about this condition....."

Trade Relations A London dispatch to the press of March 19 quotes the London Times in a discussion of the relations of the United States and Argentina. The dispatch says: "....The paper then quotes a speech made a few days ago by Sir Malcolm Robertson, British Minister to the Argentine. He declared British trade with the Argentine was 'slowly but steadily giving way to that of the United States, Germany Italy and other countries,' and he gave four reasons--lack of propaganda, inadequate advertisement, poor salesmanship and high freights...."

Section 3

MARKET QUOTATIONS

Farm Products March 21: Livestock quotations at Chicago on top price of hogs $11.95.

Maine sacked Green Mountain potatoes $2.50-$2.75 per 100 pounds in eastern markets; bulk stock mostly $1.80-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.85-$2 carlot sales in Chicago; $1.60-$1.75 f.o.b. Waupaca. General eastern and midwestern jobbing range on yellow onions $3-$3.75 sacked per 100 pounds. Florida strawberries 30¢-40¢ quart basis in city markets. Louisiana Klondikes $4.50-$5.50 per 24-pint crate in leading market; $3.92½-$4.67½ auction sales at Hammond. New York Rhode Island Greening apples $3.50-$4.75 per barrel in terminals. N.Y. and Michigan Ben Davis $3-$3.25 in Chicago.

Closing prices on 92 score butter: New York 47½¢; Chicago 46½¢; Philadelphia 48¢; Boston 48½¢.

Closing prices at Wisconsin primary cheese markets March 19: Single Daisies 22¾¢; Longhorns 22½¢.

Average price of Middling spot cotton in 10 designated markets advanced 35 points, closing at 13.84¢ per lb. March future contracts on the New York Cotton Exchange advanced 37 points, closing at 14.09¢, and on the New Orleans Cotton Exchange they advanced 39 points, closing at 14.24¢.

(No Grain Prices Quoted).

(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 21,	Mar. 19,	Mar.20,1926
	20 Industrials	160.81	160.56	144.80
	20 R. R. stocks	128.11	127.07	106.73

(Wall St. Jour., Mar. 22.)

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DAILY DIGEST

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Vol. XXIV, No. 68 Section 1 March 23, 1927.

NEW TULIP WINS MEDAL

The New York Times to-day reports: "John T. Scheepers won the President Coolidge Gold Medal yesterday for originating and exhibiting the best new flower at the International Flower Show at Grand Central Palace. Secretary of Agriculture William M. Jardine presented the medal to him. The winning plant is a pure white Darwin tulip with jet-black stamens, a fine, large bloom shaped like an egg cup bowl. Mr. Scheepers has been cultivating his prize winner for seven years....The flower was officially named 'Miss Helen Eakin,' after a Washington girl. Last year the medal sponsored by the President went to F. R. Pierson for the new red rose named for Mrs. Pierson...."

TARIFF RECIPROCITY

The Associated Press to-day says: "President Coolidge so far has not given consideration to projects for tariff reciprocity between the United States and Canada, which were discussed recently before the Canadian Parliament by Premier MacKenzie King. Such a subject must be given a careful study before action is embarked upon, he believes, and for the present the American Government will not move."

RADIO NEGOTIATIONS

The Associated Press to-day reports: "Negotiations for settlement of the dispute between Canada and the United States over radio broadcasting have broken down. As the Canadian delegation, which Monday renewed conferences with American radio authorities, prepared to return to Canada last night, Alex Johnston, Canadian Deputy Minister of Marine, said the negotiations had been without result and that the situation remained as it was before conferences were started here two weeks ago. No statement was issued by either side....."

COTTONS IN DEMAND

The press to-day says: "How large a volume of cotton goods has been consumed since last July is indicated by reports just compiled by the Association of Cotton Textile Merchants of New York. In the eight months from July to February inclusive more than two billion yards of standard cotton textiles have been sold by mills reporting to the association. These reports cover the manufacture and sale of more than two hundred different classifications of standard cotton cloths, representing a large part of the total production of such goods in the United States. During this period sales reported to the association exceeded production for the period by 21 per cent....The increase in sales since last July was also accompanied by a reduction of 37 per cent in stocks on hand....."

CHARLES W. ARMOUR DIES

A Kansas City, Mo., dispatch to the press to-day reports that Charles W. Armour, vice president and director of Armour & Co., packers, died at his home at Kansas City March 22.

Section 2

British Air Service — Great Britain is planning to expend during the coming fiscal year just under 20,000,000 pounds, or say the equivalent of around $100,000,000, in the upkeep and development of its air service, according to a memorandum just issued by the Secretary of State for Air and received by the Bankers Trust Company of New York through its British information service. This estimate is slightly less than that for 1926. Figures for 1927 are 19,986,400 pounds as against estimates of 20,864,500 pounds for the previous year. The report states that there will be a slight decrease in personnel and on works and buildings, but an increase of expenditure on technical equipment, particularly for new types of machines.

Cotton Acreage — An editorial in The American Fertilizer for March 19 says: "The latest advices from the Cotton Belt indicate a smaller reduction in acreage than was estimated a few weeks ago. There will be a reduction in the Southeastern States, perhaps of 10 per cent, but the acreage in Texas and Oklahoma is more likely to be increased than reduced. The campaign to reduce the cost of the crop by more careful cultivation and the use of more fertilizer, seems to have made little progress in Georgia and the Carolinas. The farmers of those States are apparently using about the same quantity of fertilizer per acre on a somewhat reduced acreage. The result will be that a still larger percentage of the crop will be grown west of the Mississippi River, and the selling price will, in a general way, reflect the cost of production in the Southwestern States rather than in older States east of the river."

Cotton Borer Work — In an editorial on the Federal corn borer regulations, The Ohio Farmer for March 19 says: "....The very fact that the Federal Government is in charge of the situation shows that the clean-up will be serious business, that the regulations will be enforced, whether we like it or not. Such a drive as is planned this spring is necessary to protect the Corn Belt from infestation and to protect the grower in the infested area from the ravages of this rapidly increasing pest. If serious efforts were not made to keep down the number of borers corn growers in northern Ohio would soon find themselves in the position of the farmers in Ontario--unable to grow corn. We hope the presence in each county of a business-like corn borer control organization will lend confidence to the permanency of the agriculture in this part of the country and head off any moral or financial panic. Such a panic was bound to ensue if State and Federal authorities did not get down to business. Land values are shaky enough without a corn borer panic. The clean-up this spring will have all the power of the law behind it. Money is available for men and machinery to do the work. The officials in charge of the campaign know what they are about. State and Federal authorities are working together well. Perhaps the first year of such a stupendous effort will see some mistakes made and some injustice done, but it will not be done intentionally. After this year, with the necessarily late start, mistakes will be corrected and some idea gained of how to improve the work another year...."

Cotton Estimates

In an editorial on the cotton estimates, The New York Times March 21 says: "Yesterday's final figures on the cotton crop of 1926, based on the amount actually ginned up to the end of the season, illustrate again the difficulty of gauging market values and trade calculations by the Government's cotton estimates....Either the department's December figures were a sweeping overestimate, or else the decline in price has caused the South to leave in the field unpicked a far larger amount of actual cotton than on any previous occasion. The cotton trade leans to the second supposition. Yet one may judge the unusual character of an abandonment so great by recalling that with the crops of 1914 and 1920--each unexpectedly large, each accompanied by fall in the price to a much lower level than this season's and one of them by demand that the surplus should not be marketed--the final ginning figures substantially exceeded the department's December estimate. Even a cotton crop of 17,910,000 bales would exceed by 1,800,000 the largest previous harvest; but meantime the fall in prices, due to belief in a still larger yield, has produced some remarkable results. In the preceding cotton season, home spinners and foreign markets had taken 216,000 bales more of our cotton than in the preceding twelvemonth. But in the past seven months the similar takings have run nearly 2,000,000 bales beyond the previous season's total; a rate of increase which, if continued up to the season's end, would raise the consumption from the crop of 1926 something like 3,300,000 bales above that of the crop of 1925. In other words, huge as last year's cotton production admittedly has been, consumption has much more than kept pace with it. That would not be the first occasion on which prediction of 'ruin of the South' through a bumper cotton yield has been confuted by visible evidence that the textile trade would take the surplus product, if fair inducement was offered in the price."

Farm Readjustment

An editorial in The Farmstead, Stock and Home for March 15 says: "The European corn borer, unaffected by our immigration restrictions, seems destined to exert an important influence upon American farm economy during the next decade or two. The battle necessary to holding the borer in check seems certain to force a readjustment of many of our old and familiar programs of farm procedure. Dr. W.J.Stillman, of the United States Department of Agriculture, is authority for the statement that 'abandonment of meat production in favor of dairying in the Middle West' is one of the natural and inevitable results that will follow the invasion of the borer in the Corn Belt, and the efforts that must be followed there to hold it in check. Doctor Stillman looks upon this result with fear and apprehension, for, he adds, 'If the entire Corn Belt should move toward dairying, because of the corn borer, the price of butter would probably fall sufficiently to make the dairy business unprofitable.' It is hoped by Doctor Stillman and other real students of farm economics that the production of meat animals and other farm resources will be kept up, at least to the present scale, and that the country will not go hog wild over dairying and thus destroy the 'goose that lays the golden egg.' There are factors, other than the borer, that are tending strongly in the same dangerous direction, as these columns have repeatedly pointed out. It is certainly time for some of our rampant farm advisers whose vision extends only to the dairy cow as a panacea for all the ills that farmer flesh is heir to,

to hesitate and take sane account of the future. An unbalanced, lop-sided agriculture is to be feared and strongly guarded against."

Herd Improvement in Illinois "The average dairy cow of Illinois has been shown up as a loafer and an expensive milk producer by the 14,000 cows that are being tested for milk and butterfat production in the twenty-nine active county dairy herd improvement associations of the State, according to C. S. Rhode, dairy extension specialist of the College of Agriculture, University of Illinois, who has charge of these associations. These 14,000 cows, belonging to about 755 farmers and dairymen, are producing an average of about 78 per cent more milk each than the general run of cows in the State, it is pointed out. The production of these tested cows averages much higher than the State level largely because herd owners belonging to a county dairy herd improvement association first get rid of all the 'boarders' or low producers in their herds and then feed the rest of their cows according to approved methods, Mr. Rhode explains. Last year alone in thirteen of the herd improvement associations an average of 14.5 per cent of the cows were weeded out because the records which were kept on them showed that they were paying little or no profit above the cost of the feed they ate. In one association as high as 18 per cent of the cows were sold last year because they proved to be 'boarders,' while the lowest percentage sold in any association was 8....." (Press, Mar. 22.)

International Economic Conference F. W. Wile, writing in The Washington Star of the international economic conference, says: "The plans for American participation in the international economic conference, which convenes at Geneva May 4, under the auspices of the League of Nationa, are now well advanced. The State and Commerce Departments have been collaborating on the details, and official announcement of the personnel of the United States' delegation will be forthcoming within a few days. The economic conference has been completely overshadowed on this side of the water by discussion of arms conference plans. It has been in the making for the past 18 months...."

Mexican Garden Imports An editorial in The Idaho Farmer for March 17 says: "Mexico is getting into the game of furnishing the United States with early garden truck. Shipments of Mexican peas have ranged from one to 40 cars daily, and have averaged 16 cars for a week. The first straight car of Mexican peas was received at Montreal, Canada, during the last week in February. The peas are reported to have been of excellent quality and jobbed out around $7 per crate. Shipments of Mexican tomatoes also reached a total of 266 cars during a week. Most sales of tomatoes have been in the southwestern markets."

Potato Standardization An editorial in The Idaho Farmer for March 17 says: "Standardization is a big word. No short word can take its place in the coming days of farming. News comes from Moscow, Idaho, that potato growers of the Potlatch region are going to standardize on two varieties, the Netted Gem and the Idaho Rural. They will put into the discard eight of the 10 varieties of potatoes they have been producing. Not only this, but they will standardize the two varieties chosen. They will select, grade and brand the two chosen varieties so that the buyers will know what they are getting....."

Section 3

Department of Agriculture

An editorial in The Oregon Farmer for March 17 says:"....The codling moth is not the only orchard pest worthy our steel. Frost is another, and it must be guarded against to the best of our ability.....Credit should be given the United States Weather Bureau for its assistance to the commercial orchardist in controlling frost. In many of the leading apple districts, the vigilance of the bureau in watching the signs of the approach of frost and in sounding the warning results in the prevention of incalculable loss. An hour means much in frost control--everything in some instances. It can hardly be hoped that frost will ever be entirely banished as an orchard menace any more than that the codling moth will be totally wiped out through the efforts of man. But continued and yet more intensive study on the part of orchardists and orchard scientists will make it much less of a menace than it has been heretofore."

Section 4

MARKET QUOTATIONS

Farm Products

March 22; Grain prices quoted: No. 2 red winter Chicago $1.30. No.2 hard winter Chicago $1.32; Kansas City $1.26 to $1.34. No.3 yellow corn Chicago 69¢; Kansas City 73¢. No.3 white oats Chicago 44¢; Kansas City 45¢.

Florida Spaulding Rose potatoes ranged $13 to $15 per double-head barrel in city markets. Maine sacked Green Mountains $2.50 to $2.85 per 100 pounds in eastern cities. Texas cabbage $2.50 to $3.25 per barrel crate in terminal markets. Florida pointed type ranged $1.75 to $2.50 per 1 1/2 bushel hamper. New York and mid-western yellow onions ranged $2.75 to $3.75 sacked per 100 pounds in consuming centers; $3 to $3.25 f.o.b. Rochester. New York Baldwin apples $3 to $3.75 per barrel in eastern city markets; $3.50 to $3.75 f.o.b.

Chicago hog market was 10¢ to 15¢ higher, with morning top at $12.50. Beef steers , choice $11.50 to $13.25; good $10.10 to $12.50; heifers, good and choice, 850 pounds up, $7.25 to $10.75; cows, good and choice $6.65 to $8.40, low cutter and cutter $4.25 to $5.25, vealers medium to choice $8.50 to $13.50; stocker and feeder steers $6.75 to $9.50; lambs, medium to choice, 84 pounds down, $14 to $16.25; feeding lambs medium to choice $13 to $14.65.

Average price of Middling spot cotton in 10 designated markets declined 24 points, closing at 13.60¢ per lb. March future contracts on the New York Cotton Exchange declined 27 points, closing at 13.82¢ and on the New Orleans Cotton Exchange they declined 33 points, closing at 13.91¢.

(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 22,	Mar. 21,	Mar.22,1926
20 Industrials	158.41	160.81	146.32
20 R.R. stocks	126.93	128.11	107.83

(Wall St. Jour., Mar. 23.)

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DAILY DIGEST

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Vol. XXIV, No. 69 Section 1 March 24, 1927.

COTTON EXCHANGE AND WOOL FUTURES The New York Times to-day reports: "John W. Jay, vice president of the New York Cotton Exchange, announced yesterday the appointment of a committee of eight members to investigate the feasibility of the exchange trading in wool futures. The committee will organize immediately and prepare plans for a survey of the wool industry from the viewpoint of the adaptability of that commodity to the operations of a futures market. This is the first time any definite action has been taken by the Cotton Exchange with respect to the possible inclusion of dealings in wool futures in its operations, although the matter has been under consideration for several months....Trading in wool futures on a basis similar to that on which cotton is handled presents several new problems, it is realized, and it will be part of the committee's task to determine their solution. After the adverse experiences of the wool trade in the past few years, it is thought it will be sympathetic to any plan which may lessen the hazard of carrying wool by giving the merchant and manufacturer an opportunity to hedge his commitments against possible future losses."

CANADIAN HOMES SOUGHT An Associated Press dispatch from Winnipeg March 23 says: "M. E. Gibson, of Omaha, Nebr., arrived yesterday to secure 20 sections of prairie land for himself and 20 families of friends and relatives from Nebraska, Iowa and Missouri, who, he said, are to follow later. He expressed the opinion that farmers from the Midwestern United States will come to Canada 'in droves' in the next two years to take up prairie land."

FERTILIZER INDUSTRY A Baltimore dispatch to the press of March 23 says: "Manufacturers of fertilizers are again cutting prices and the industry faces a lean year, according to reports at Baltimore. Consumption of fertilizer is not in as large volume as it was at this time a year ago, and, with profits almost at the disappearing point, leaders of the industry are not optimistic over the outlook....The result is prices have been 'shot to pieces,' it is said...."

CANADIAN GRAIN Resumption of inland navigation because of the early spring will bring to the market earlier than usual a large portion of the Canadian grain crop still in storage at western points, according to a bulletin of the Bank of Montreal. The stock of wheat is expected to be almost as great as a year ago. Already mercantile and agricultural activity has been stimulated. The latest statistics, according to the bank, indicate a fairly general prosperity throughout Canada. (Press, Mar. 24.)

Section 2

Cost Accounting Principles — Fundamental principles to be taken into account by manufacturers in the proper treatment of overhead costs are set forth in a pamphlet, "The Evolution of Overhead Accounting," just issued by the department of manufacture of the Chamber of Commerce of the United States. The foreword of the pamphlet states that "It is now generally recognized that overhead is the most important factor in cost accounting. Yet, until comparatively recently, even with improved methods in accountancy, the overhead content in the cost of a commodity has been roughly estimated or guessed at. Increasing competition, refinements in machinery and production methods and intelligence used in management have brought to the front the problem of more accurately measuring overhead."

Farm Equipment Engineers — An editorial in The Implement and Hardware Trade Journal for March 19 says: "Does the farm equipment industry as a whole fully appreciate the work of the experimental engineers? Probably not, for the experimental engineers are almost a race apart and they proceed quietly. The mechanical designer has to have a viewpoint of his own. Frequently it differs from that of the selling man....Field experimental work is constantly carried on by the larger manufacturing organization. Whether business is good or business is bad, these organizations continue the necessary work of experimentation. For they plan to serve the agriculture of the remote future just as they are serving it now and no temporary ebb of the tide is ever serious enough to get the minds of their engineers off the job of designing and developing newer and better farm machinery....Right this minute experimental engineers in the farm equipment field are at work developing old machines and designing new all up and down the Western Hemisphere. In out-of-the-way places they are watching the performance of agricultural machines and laboring to the end of improvement--constant improvement...."

Farm Real Estate Method — An editorial in The Southern Cultivator and Farming for March 15 says: "Here is an item that is worth reading. It is about a real estate man in a western State who is following a unique system of selling farms. According to the report, he builds upon each 100-acre farm a four room house, a barn of sufficient size to house the work stock and five milk cows, a hog house that holds three sows, a chicken house for 100 hens and a half acre is fenced for a garden. This equipment is put on all farms that are sold by him on time. He says that he has never farmed any in his life, but in the real estate business he has an opportunity to study farmers. It has been his observation that the farmer who does not raise his own living at home sooner or later fails. This man is in business for profit. He wants the farmers to whom he sells farms to be successful in order that they may pay for their farms. This is given as the reason why he supplies the equipment named and requires each farmer to make a garden and to keep livestock sufficient for the accommodations supplied."

Flax Tariff — An editorial in The Farmstead, Stock and Home for March 15 says: "The Northwest is a natural flaxseed growing area. Soil and climatic conditions for the production of seed flax are more nearly ideal here than obtain in any like area in the United States. For these reasons, the great bulk of the flax production in the country

has always come from this area....There is an import duty of 40 cents per bushel on flaxseed, and as domestic consumption exceeds domestic supply, this tariff is beneficial to producers. Producers do not receive the full benefit of the tariff, however, owing to the export of oil cake from this country. It is estimated that the actual protection to American producers is approximately 32 cents per bushel. To keep pace with the high cost of production that has burdened the farmer since the World War, it is evident that the duty on flaxseed should be materially increased if American producers are to receive the necessary profits to maintain production anywhere near the domestic demand....There is a real and a permanent place for flax in the farm economy of the Northwest."

Land Loan Problems

An editorial in The Journal of Commerce for March 23 says: "'We violate no confidence' as the cant phrase expresses it, when we say that all over this country the land and the land loan situation is very bad. All financial authorities recognize it, and most of them at some time or other talk about it. They do not do so in public, because it is not good 'medicine' to do so. But the facts are there. The bank failures of the West and Middle West, the financial breakdown in Florida, the general collapse of land values in other parts of the country, all tell the same story. Many hundreds of millions of dollars of American mortgages are either on the point of foreclosure or are in difficulties in one way or another, and unless something is done to clear up the situation and hold it in abeyance, the bank failure epidemic which is now raging so violently (956 failures in 1926) will grow worse. Just what can be done about the situation? This is a question which presses with peculiar force upon all those who have been interested in foreign bonds, joint stock land bonds, mortgage certificates and the like. They have given to their clients great quantities of these securities, the farm land bonds alone running about $2,000,000,000 within the past six or seven years, and they have a moral obligation, to say nothing of any more substantial liability which may rest upon them.....It would be quite idle to attempt a temporary alleviation of our present evils unless we were prepared to go a good deal further and try to prevent their recurrence. Both in the country and city we are now overbuilt and overdeveloped so far as land and buildings are concerned. We can not pay a good income upon existing land values or a good rental upon existing house and office structures.... Some inkling of this situation has undoubtedly come to those real estate lenders who have found it hard to meet the interest on their bonds or to keep their 'space' even partially filled at remunerative rates. We may well doubt whether many recognize the national scope of the general land problem by which we are confronted. It is time that our bankers both country and city waked up to the situation."

Population and Production

An editorial in The Journal of Commerce for March 23 says: "....With the whole world coming equally to share in the secrets of modern industrial methods, the question of numbers gains in importance as an index to national productivity. More people mean expanding production, greater pressure to sell and more need to buy. Consequently it is interesting to study recent estimates of the probable size of the working populations of certain countries in 1931 and 1941. The computations have been prepared by Professor

Bowley for use by the preparatory committee for the International Economic Conference. Although they fail to take account of emigration and immigration since 1921, and are in other respects unavoidably imperfect, the estimates are believed to be correct within a rather narrow margin of error. They are based on past experience and indicate that apart from migration the working populations of the United States and of Australia in the thirty years from 1910 to 1941 will have increased 50 per cent and 60 per cent, respectively; Sweden and Japan, 35 per cent and 32 per cent; Great Britain about 26 per cent, and Italy, 38 per cent. The German increase on present territorial limits is placed at 34 per cent, while France is expected to show a positive decline in her population. Does this mean that the United States will continue to stride ahead as a producer, outstripping the rate of growth of other nations? Presumably, since its population can grow enormously without any real pressure upon subsistence means, and the progress of invention can be relied upon to maintain per capita output at a high rate for a long time. Nevertheless the leveling process is at work. Other nations with a slower growth in numbers are adding to their industrial technique; hence laying the foundation not only for greater output but greater productive capacity for each individual worker."

Section 3

Department of Agriculture

1 An editorial in Hoard's Dairyman for March 25 says: "The first dairy pilgrimage took place last year when a number of members of various national dairy organizations and delegates of the American Dairy Federation went to Washington, D.C. The purpose of this pilgrimage was to become better acquainted with the work of the United States Department of Agriculture, and especially that of the Bureau of Dairy Industry. The second annual dairy pilgrimage will take place this year April 26, 27, and 28--that is, these are the dates set for a trip to the United States Department of Agriculture and to review the work of the Bureau of Dairy Industry and such other bureaus as time will permit them to visit. Any person interested in dairying will be a welcome pilgrim. We believe there is an advantage to the development of the dairy industry in having people informed as to what the United States Department of Agriculture is doing for the welfare of agriculture. It is well to have a clear understanding of the work of the Bureau of Dairy Industry. In no other way can we receive full benefit of the many good things being done for the dairy industry by the Federal Government."

2 An editorial in The Progressive Farmer for March 19 says: "....The chief damage done to the cotton crop reports as affecting producers, is by the abolition of the semi-monthly or mid-month reports in August, September, and October, or for the period when changes take place most rapidly and when there is need for more frequent reports, to prevent speculators manipulating private reports for their personal gain. At last, the cotton exchanges, spinners, cotton merchants and speculators have by their persistent campaign of misrepresentation been able to mislead enough farmers, by whose assistance and influence politicians have been able to turn the political trick of destroying a large measure of the usefulness of the official cotton reports....."

Section 4
MARKET QUOTATIONS

Farm Products March 23: Livestock quotation at Chicago on top price of hogs was $12.20.

Florida Spaulding Rose potatoes $12-$15 per barrel in leading markets. Texas sacked Bliss Triumphs $7.40-$7.50 per 100 pounds in Chicago; $6 f.o.b. Maine sacked Green Mountains mostly $2.50-$2.65 in eastern cities; bulk stock $1.90 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.85-$2 carlot sales in Chicago. Texas cabbage $40-$65 bulk per ton in distributing centers; $18-$20 f.o.b. Alabama stock $3-$3.25 per barrel crate. Florida strawberries 35¢-65¢ quart basis in city markets. Best midwestern yellow onions $3-$3.75 sacked per 100 pounds in consuming centers.

Closing prices on 92 score butter: New York 51¢; Chicago 48¾¢; Philadelphia 52¢; Boston 51¢.

Closing prices at Wisconsin primary cheese markets March 22: Single Daisies 22¾¢; Square Prints 22½¢.

Average price of Middling spot cotton in 10 designated markets advanced 13 points, closing at 13.73¢ per lb. March future contracts on the New York Cotton Exchange advanced 13 points, closing at 13.95¢, and on the New Orleans Cotton Exchange they advanced 19 points, closing at 14.10¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.31-$1.38. No.2 red winter Chicago $1.32. No.2 hard winter Chicago $1.34. No.3 yellow corn Chicago 69¢; Minneapolis 68¢. No.3 white oats Chicago 43¢; Minneapolis 42¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 23,	Mar. 22,	Mar. 23, 1926
	20 Industrials	158.85	158.41	143.86
	20 R.R. stocks	127.68	126.93	107.67

(Wall St. Jour., Mar. 24.)

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DAILY DIGEST

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Vol. XXIV, No. 70 Section 1 March 25, 1927

LANDES LEAVES FARM BOARD The press to-day reports that Elmer S. Landes of Wooster, Ohio, yesterday resigned as a member of the Federal Farm Loan Board, effective May 1. The President gave no indication of whom he will select as a successor.

RADIO NEGOTIATIONS The press to-day reports: "Following the failure of the Federal Radio Commission and the Canadian delegates at Washington this week to reach any agreement on increasing the number of exclusive wave-lengths allotted to Canada, the commission yesterday issued a notice to all American broadcasters that they could not enter the wave channels already assigned to the Dominion. The order was intended as a friendly gesture and as an expression of the earnest wish of this Government to adjust the difficulties with Canada...."

BRITISH REPORT ON AMERICAN CONDITIONS A London dispatch to the press to-day says: "Members of the British Government's industrial commission who were sent last fall to study conditions in Canada and the United States have completed their report, The Daily Mail learns, and it has been signed by all the members, although on certain points reservations are made by individuals. 'It will probably be found,' says the paper, 'that, while recognizing that Britain has a certain amount to learn from the best American and Canadian factories, the examination on the American continent does not suggest so great a superiority over this country as is frequently believed to exist. None the less, the commission has been able to issue a clarion call to British industrialists in several parts of the report, suggesting that they must wake up in getting business, and in maintaining connections once made by increasing the practice of sending agents abroad.'"

WOOL RATES The press to-day reports: "The Interstate Commerce Commission was asked yesterday by the Boston Wool Trade Association to reconsider its refusal of last January to order railroads and ship lines to make joint through rates on wool via the Panama Canal from the Pacific to the Atlantic coast. The Wool Trade Association wished to obtain the shipment of wool from the Rocky Mountain territory to Boston on a single bill of lading, with ocean freight and railroad freight merged into a single rate. As the commission refused to require the carriers to cooperate for the purpose, the wool trade petition asked another opportunity to press its demand."

MEXICAN LAND GRANT An Associated Press dispatch March 23 from Mexico City says: "The Mexican Government announced March 22 that it expects to distribute to the people 500,000 hectares of land in the course of this year under the agrarian program. The Government declared that it will pay the owners for all such lands distributed....."

Section 2

Arboretum and Tree Breeding

An editorial in The Washington Post for March 24 says: "While the boys' pig clubs are working with the one idea in mind of producing more pork with less waste of feed, and the cattle ranchers are aiming at better beef, and more of it, the United States Chamber of Commerce has started out in a campaign for 'bigger and better trees.' The natural resources department of the chamber calls attention to the fact that the time is approaching, if not already at hand, when timber will take its place among other crops, like cotton, corn and wheat, and the advantage to be gained by improving strains and varieties of trees is emphasized. Discussing the enactment of the law for the creation of a great national arboretum the chamber says that present day agriculture pays great attention to the best methods of producing grains and cotton, but is just beginning to grow trees for timber. Little attention has thus far been paid to the development of varieties of woods which promise the quickest and best returns. It is expected that once started on a commercial basis timber culture will become an industry in which millions of dollars will be invested, and that the policy of wisdom will be to ascertain in what manner it may be possible to produce and improve such varieties as will mature within the lifetime of the planter. Besides the improvements suggested the chamber calls attention to the absolute necessity for finding cures for the destructive fungus diseases of forest growths and for the prevention of the ravages of destructive insects, as well as the production of tree seeds for specific climates and localities and the development of valuable hybrids. It is in this direction that the national arboretum will lead the way for those who are to become the pioneers in reforestation."

Butter Markets

An editorial in The Chicago Dairy Produce for March 22 says: "There were surprises in the butter market last week. It did not run true to its statistical form, but followed sentiment and sentiment was low in that it was all on the side of getting the market quotations down....But, as we said, sentiment proved to be the stronger influence. The summer temperature had something to do with it, but New York's condition was a far stronger influence. That market was demoralized by arrival of foreign butter, and by offers from London to sell New Zealand delivered in New York at prices that meant either a flood of foreign in a few days, in spite of the 12¢ tariff, or lower quotations, and New York couldn't stand a flood so prices came down.....That foreign weakened the markets there is no doubt, and the summer like weather was a contributing influence. Butter is a world product and a disturbance in any market is reflected in all markets...."

Cotton Rate Hearings

The press of March 24 reports that the series of hearings scheduled to begin at Little Rock, Ark., April 20, before Interstate Commerce Commissioner Woodlock, in connection with rates on cotton to be heard in conjunction with the commission's general investigation of the freight rate structure of the country pursuant to the Hoch-Smith resolution were canceled March 23 by the commission at the request of counsel for the cotton growers' associations. The commission announced that in order to avoid conflict with other engagements it will not be possible to reassign these hearings before about the middle of September. Notice of specific dates and places will be given in due season.

Florida Bank Aid

An Associated Press dispatch from Palm Beach March 23 says: "John S. Phipps, New York financier, and Col. E. R. Bradley, Kentucky sportsman, have subscribed $200,000 each to head a list of Palm Beach winter residents aiding in the creation of a substantial fund to aid small depositors of four banks which suspended operations at Palm Beach within the past two weeks....."

Markets

Theo. H. Price, in his weekly review of the markets, in Commerce and Finance for March 23, says: "Cotton has declined a cent a pound from its recent peak. The drop comes while there is still time for it to affect the acreage and the price is too unsatisfactory to support a belief that another bumper yield will be raised this year. Wheat is coming under the influence of the new crop and may soon show more activity; meanwhile old holdings are being liquidated. The outlook for profitable cattle prices is the one really stimulating prospect in the major agricultural industries. Sugar has declined rather sharply, but by summer a balance will be struck between supply and demand that should insure the producer a more satisfactory return. Coffee and rubber are both a little higher despite large supplies, prospective in the former and present in the latter. The coffee markets are so apathetic that it is though a 'bootleg' futures market may be operating in Santos upon which most of the business is being done. But the oil flood is unchecked and in some places the fifth price cut in as many months has been made. The price level on the whole is the lowest since 1922 and most economists think that its long-time trend is still downward although frequent recoveries will doubtless punctuate it. Some of the specific news of the week is quite cheerful as a reflection of individual prosperity. February life insurance sales were 2.8 per cent larger than a year ago. Our foreign trade for the same month showed a gain of $20,000,000 in exports and a decline of $75,000,000 in imports as compared with February, 1926. Such a balance seems paradoxical in a Nation that is owed by the whole world, but it is accounted for by the billions that we are lending and spending abroad each year. And finally the payment of $600,000,000 in income tax payments March 15, a direct index of individual prosperity though one that we would gladly dispense with, exceeds the total of a year ago by the astounding amount of $127,000,000."

Prices and Profits

An editorial in The Journal of Commerce for March 23 says: "Nervousness over the persistent decline in commodity prices finds expression in current forebodings about the probable effects of this downward trend upon profits and dividends during the months ahead. Assuming that the physical volume of trade and production can be maintained despite a falling price level, doubts assail those who reflect that gross earnings even in such case will shrink, while there is no assurance that the losses in gross can be simultaneously offset by lower production costs. So far gloomy forecasts have not been borne out by the results obtained in 1926, which was for the most part a year of declining prices. Although gross receipts of the Steel Corporation, for instance, did not attain the high point of 1923, lower prices did not prevent the company from obtaining the highest net earnings ever secured in peace time. The percentage of activity in the iron and steel industry, moreover, has risen since the beginning of the year with revived demand from industries that

had suffered temporary depression. The recent severe drop in petroleum prices is another factor to be taken into account by the iron and steel industry, but a demand for oil tanks for storage purposes is reported; likewise for more drilling machinery....Much depends, of course, upon the distribution and tempo of the price declines. There are a number of respects in which the present tendency, as observed by the dispassionate statistician, gives ground for hope that the readjustments now going forward may work out with a minimum amount of deflationary disturbance. The drop in agricultural prices has been disastrous for a large number of producers because it was not paralleled by corresponding reductions in the things that farmers have had to buy either in the form of capital or consumption goods. We have talked for many months about the inevitability of price readjustments between agricultural commodities and finished goods, but the prices of the latter have remained obstinately above the former. At present levels it is significant that wholesale prices in the United States compared with 1913 show a rise about comparable with that found in a number of European countries with gold standard currencies. A year ago the price level as compared with a pre-war basis was more conspicuously out of line with the indices for other countries than it now is. This offers some hope, by no means approximating proof, however, that we are better 'stabilized' as to prices than we were a year ago. The great danger lies in the possibility of a sudden collapse of confidence that would bring about precipitate price drops in certain lines, annihilate profits and destroy that general confidence which helps to sustain business activity."

Tuberculosis Eradication in South

An editorial in The Progressive Farmer for March 19 says: "North Carolina has over twice as many counties free from 'bovine tuberculosis' as any other State in the Union. Michigan is her closest competitor with thirty-four modified accredited counties. In addition, North Carolina has more than one-fourth of all the accredited counties in the entire United States....The South, on the other hand, could stamp out this disease, once and for all, and could completely control it if they would get busy now. As the dairy industry grows, the percentage of infection will grow if it is not closely guarded. By working when everything is favorable, this disease could be stamped out with the minimum amount of money, labor, and time. The longer a State waits, the bigger the job it will have to do, the more money it will cost, and the longer it will take. North Carolina will soon be a modified accredited State. It will have done this at the smallest possible cost. This State is laying a foundation for its livestock industry that is going to prove invaluable in the years to come. The same opportunity offers itself to every other Southern State. The whole South is facing a new period in its lievestock development. A tuberculosis-free South would mean millions of dollars to southern dairymen. It would be possible if the other Southern States will only follow the splendid example North Carolina has set."

Wheat Figures

Siebel C. Harris writes on "Looking Ahead to the End of the Wheat Year" in Commerce and Finance for March 23. He says in part: "It appears...that statisticians were too conservative in their forecast of import requirements. The foremost foreign authority estimated at the beginning of the season that 704,000,000 bushels would be required by importing countries. Several weeks ago this

same authority revised his estimate upward to 720,000,000 bushels, and judging by the rate at which wheat is now being absorbed it would not be illogical to expect further upward revisions. In fact, many well posted people in the trade are of the opinion that actual takings by importing countries will aggregate more than 750,000,000 bushels and these opinions are strongly fortified by the failure of ocean passage stocks to increase as rapidly as expected. In confirmation of the latter statement, attention is called to the fact that on February 8 the statistician mentioned predicted that stocks of wheat and flour on ocean passage would total 96,000,000 bushels before the end of March. At this writing they are only 71,000,000 bushels and have been increasing very slowly, indicating a greater absorption than was generally anticipated. Summing up the world situation, it seems a fair statement of existing conditions to say that predictions of extremely burdensome supplies have not been justified by current developments. Nor is there any clear evidence that prices will have to recede materially from present levels during the remainder of the season, although there probably will be some reconciliation between cash and futures prices in such markets as Liverpool where the latter have been unduly discounted. The outlook, generally speaking, is one of comparative stability from a world price standpoint."

Section 3
MARKET QUOTATIONS

Farm Products March 24: Livestock quotations at Chicago. Top price on hogs $12.20.

Florida Spaulding Rose potatoes $12-$15 per barrel in city markets. Maine sacked Green Mountains $2.50-$3.65 per 100 pounds in eastern cities, bulk stock $1.85-$1.90 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.85-$2 carlot sales in Chicago; $1.65-$1.80 f.o.b. Waupaca. Best midwestern yellow onions $3-$4 sacked per 100 pounds in consuming centers. New York stock mostly $3-$3.50. Texas cabbage $40-$65 bulk per ton in distributing centers; $17-$20 f.o.b. New York Baldwin apples $3-$4 per barrel in city markets; $3-$3.50 f.o.b. Rochester. New York and Michigan Ben Davis $3-$3.50 in Chicago.

Closing prices on 92 score butter: New York 51¢; Chicago 49¾¢; Philadelphia 52¢; Boston 51½¢.

Closing prices at Wisconsin primary cheese markets March 23; Twins 22¢; Single Daisies 22¾¢; Double Daisies 22½¢; Longhorns 22½¢; Square Prints 22¾¢.

Average price of Middling spot cotton in 10 designated markets advanced 1 point, closing at 13.74¢ per lb. March future contracts on the New York Cotton Exchange advanced 5 points, closing at 14¢, and on the New Orleans Cotton Exchange they advanced 1 point, closing at 14.11¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.31-$1.38. No. 2 red winter Chicago $1.31. No.2 hard winter Chicago $1.34. No.3 yellow corn Chicago 68¢; Minneapolis 66¢. No.3 white oats Chicago 42¢; Minneapolis 42¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 24,	Mar. 23,	Mar. 24, 1926
	20 Industrials	160.30	158.85	140.31
	20 R.R. stocks	128.28	127.68	106.32

(Wall St. Jour., Mar. 25.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 71 Section 1 March 26, 1927.

THE SURPLUS AND TAXES The Associated Press to-day says: "President Coolidge understands the Treasury surplus for this fiscal year will be considerably in excess of the $400,000,000 previously estimated. However, the President feels Congress should measure its prospective tax reduction by business conditions next fall, which will determine the surplus in sight for the coming year. While congressional leaders of both parties tentatively have mapped out plans for abolishment of the remaining war-time nuisance taxes and reduction of the corporation levy in the next revenue bill, neither Mr. Coolidge nor the Treasury is prepared to announce any program for tax reduction."

WHEAT PARLEY PLANS The press to-day reports: "Fifty Canadian representatives will attend the Orderly Grain Marketing Conference at Kansas City on May 5. The Dominion Agricultural Department will send one delegate, as will each provincial department of agriculture. Some of the higher officials of the Consolidated Wheat Pool will also attend and many representatives of private grain interests will attend the proceedings as observers. It is expected that a policy for the orderly flow of grain to market, as outlined by pool operations, will be the result, as every country in the world will be represented at the conference. A world pool organization is not contemplated, however, and the creation of one is without the scope of the discussions."

GRAIN FRAUDS REPORTED A Chicago dispatch to The New York Times to-day says: "Officials of the Armour Grain Company knew of substitutions of low grade grain in carloads of wheat sold from their elevators as early as March 1, 1924, said Harry Mallory, former weighmaster at Elevator 'C,' in testimony yesterday before the legislative committee hearing on practices, transactions and financing in the Chicago grain trade....."

An Associated Press dispatch from Chicago to-day says: "Subpoenas directing the Armour Grain Company to produce its 1923 elevator records for examination were ordered issued late yesterday by the Illinois Legislative Investigating Committee following the first day's hearing...."

BROADCASTING PROBLEMS The press of March 25 says: "Two major problems of radio broadcasting must be settled by the Federal Radio Commission before assignment of wave lengths can be made to the 733 United States stations and the 83 Canadian stations now operating, H. A. Bellows, a member of the commission, announced to-day. Declaring that the problem of handling the large number of stations is not nearly as hard as it has been pictured, Mr. Bellows classed the two essential problems as follows: Widening of the broadcasting band from its present limits between 200 and 550 meters. Possibility of reducing the separation between broadcasting channels in lieu of the 10 kilocycle separation now in use...."

Section 2

Chilean Nitrates

The press of March 25 reports that W. Arthur Murphy, a member of the Chilean Nitrate Producers' Association and president of their committee for increasing the consumption of nitrate of soda, who arrived in New York this week, said March 24 that the Chilean Government is resolved to make any sacrifice necessary to maintain the position of Chilean nitrate of soda in the fertilizer field. He said the Chilean Government had recently informed the association that its previous declaration against reducing the nitrate export tax refers only to the period between July 1, 1927, and June 30, 1928.

Cooperation

An editorial in Ohio Stockman and Farmer for March 26 says: ".... Unfortunately it is true that certain advocates of cooperation have fostered the idea of price control in the interests of the producer and some attempts have been made to achieve it, but that is not the purpose or the effect of the agricultural cooperation of to-day. Experience has abundantly proved the futility of attempting to control prices, or attempting to exact higher prices from the consumer than those fixed by actual conditions of supply and consumption. The successful agricultural cooperation of to-day is to improve the product, to standardize it, to effect economies in its production and marketing; whereby the producer may have a more valuable article to sell and get a larger share of the market price it commands. Most of the cooperatives which started out to control prices are now either following these sound policies or are in the bone-yard.....There is not and never was any real reason for the exemption of cooperative organizations from any of the laws mentioned, for if they operate legitimately they need no exemption and if illegitimately deserve none. But the so-called friends of cooperation, who could and should have established their rights in court, raised a great fuss over a few minor prosecutions and demanded special privilege under the law at the very time they were denouncing special privilege in general. We believed and said that they were wrong in not contending in court for their rights rather than asking for exemptions, which are now cited as a reproach to cooperation and an injustice to the consumers of agricultural products. If all the special privileges accorded by law to cooperative organizations were abolished they would be none the worse, for they could readily justify in court any legitimate activity. Cooperators have not strengthened but have weakened their cause by demanding exemptions when they should have been asserting their rights."

Cotton Estimates

An editorial in The Wall Street Journal for March 24 says: "For its final estimate of the cotton crop of 1926 the Census Bureau finds 17,910,258 standard bales, compared with the official estimate in December of 18,618,000. Whether the December figure was an overestimate or all of the crop was not picked matters not now; the important fact is that this reduction of 700,000 bales must to some extent change the market outlook. However, it is not likely to be sufficient to push prices above the 15-cent level that farmers feel is necessary for a profitable production.....With the carryover, the world supply of American cotton for this season is about 23,500,000 bales, comparing with 19,400,000 the preceding season. In the year ending July 31,1926, the world consumption of American cotton was approximately 14,000,000 bales. Both domestic and foreign consumption is responding to the low prices at a surprising rate, but it can not be expected to come up to

some of the estimates now made. If it reaches even 15,500,000 bales a new high record will be set. Such a consumption as that would still leave a carryover of 8,000,000 bales. It must be remembered that while exports remove cotton from the domestic market it still remains in the world supply until consumed. The enormous exports of this season are for filling up the stocks as well as for immediate consumption. So long as cotton is so very cheap and credit conditions permit, foreign markets will probably continue to take it. But exports must be expected to drop off when cotton no longer looks cheap. The world carryover now must assuredly be large, even if less than had been estimated before the Census final report. With the big supply on hand at the end of the season another large crop would be most depressing upon prices, while a crop of a moderate size would just about restore the equilibrium between supply and demand."

Distribution Quotations from "The Distribution Age," a book by Ralph Borsodi, are given in Commerce and Finance for March 23. The following excerpt is included: "The problem which industry to-day is trying to solve is no longer how to produce, but how to market profitably what it can produce. When farmers regularly grow 'bumper' crops, and discover that the very fact that they have produced superabundantly results in loss rather than profit for them; when manufacturers have to turn to 'high pressure' selling in an effort to keep their factories operating at a large enough percentage of their capacities to meet their fixed costs; when retailers and wholesalers find it necessary to buy from 'hand to mouth,' and carry smaller stocks to speed turnover to the point which enables them to survive--every part of our economic structure is being strained by the strenuous effort to market profitably what modern industry can produce. As I see it, the real problem may be stated as follows: Why is it that the ratio of distribution costs to production costs is constantly rising? Why is it that in spite of increasing efficiency in transportation, warehousing, banking, credit, accounting, selling, and advertising, the share of the consumer's dollar paid for production is constantly growing smaller and the share paid for distribution larger? It is not unreasonable for us to expect that the invention of better machines for performing every mechanical step in distribution, and the greater subdivision of the labor of those engaged in distribution, should reduce distribution costs year by year. Progress should lower distribution costs just as progress lowers production costs. Bigger freight cars and locomotives ought to lower transportation costs, but they do not seem to do so. Speedy delivery cars and powerful five-ton auto trucks ought to lower drayage costs, but they do not seem to do so. Larger grain elevators, more efficient cold storage warehouses, better terminal facilities; a better currency and a better banking system; typewriters, adding machines, bookkeeping machines, cash registers--automatic machines for even such trifling operations as stamping and sealing envelopes--all ought to lower the cost of distribution. But they do not seem to do so! Instead of a lower cost of distribution, we have actually a rising cost of distribution....We must make it possible to distinguish between the cost of distribution and the cost of production....Then, and only then, shall we be ready to consider possible remedies....We must make it possible to distinguish between the cost of distribution and the cost of production....."

Foot and Mouth Report

The Field (London) for March 10 says: "The Foot and Mouth Disease Research Committee has now issued its second progress report, which should be studied by everyone interested in the scientific side of animal diseases....The committee's latest report emphasizes that the causal microbe or virus of foot and mouth disease can not be seen nor can it be recognized except by its effects upon susceptible animal, and all experiments involve tests by inoculation to discover its presence and activity. Research into this disease is, therefore, peculiarly tedious, and discovery necessarily slow....A great number of experiments have been carried out to find out more about the way in which foot and mouth disease is communicated by the carcasses of infected animals, hay and straw, butter, birds, and the other possible sources of infection from abroad, and a considerable amount of valuable experimental data has been collected. For instance, it has been discovered that in animal flesh the virus becomes inert within 24 hours after the slaughter of the animal. In the case of blood the virus remains still active for 30 to 40 days after slaughter, and in the case of bone marrow, which we have suspected for some time past, the virus remains active for 76 days after slaughter. These discoveries afford the strongest possible confirmation of the wisdom of the steps taken by the Ministry of Agriculture to stop the importation of fresh pig carcasses from Holland, where foot and mouth disease is rife. As the work of research is developed it may be found possible to check some other undetected source of infection...."

Wool Futures

An editorial in Ohio Stockman and Farmer for March 26 says: "Recently the old question of trading in wool futures has been revived, probably by those who find their inventories substantially reduced because of a lower range of prices. Manufacturers naturally want the protection and greater stability which accompany contracts for future delivery, so it is proposed that trading in them be established at New York and possibly at Chicago. Such trading would be good for all concerned in the industry, including producers, but it is doubtful whether it can be carried on with satisfaction. Wool qualities and shrinkages are so variable that contract grades are hard to define. Nor is the relation of one grade of wool to another at all constant, or one grade usable or deliverable in place of another. But these difficulties may be overcome as wool standards are better understood and generally applied. It would have been a fine thing for lamb feeders this past year if they could have insured themselves a future price; but livestock futures seem away off in the dim distance."

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for March 24 says: "Moderate increases in acreage devoted to a number of crops which the Department of Agriculture in Washington is predicting for this country during the coming season are not looked upon with particularly great favor among public officials. These guardians of the welfare of the farmer are worried about prices and are rather free with their expressions of opinion as to the effects on values thought likely to follow enlarged operations on the part of the farmers. It is not difficult to build up a fairly good case for the beliefs thus

presented. Yet there is hazard in a governmental policy that attempts to advise business men how they ought to conduct their affairs....After all, decision as to whether a given farmer is to increase or decrease the land devoted to this, that or the other crop is one that the farmer himself in cooperation with those who provide him with credit ought to decide in light of careful study of all the pertinent facts in the case. These pertinent facts, needless to say, embrace a good deal more than the mere matter of prices and the supply in relation to demand. In no circumstances normally developing is it ever advisable for all farmers to cease to raise cotton or even to curtail production of this crop. The same, of course, is true of all the other leading crops. It often happens that a substantial proportion of the farmers of the country ought either to refrain from production of this, that or the other crop or else curtail operations in particular instances. That, however, is vastly different from suggesting that all farmers, en masse, should pursue a specified policy at a given time....All this is true despite the obvious fact that he is a wise agriculturist who this year studies the situation both in general and as applied to his own particular problems most carefully before he proceeds with his operations."

Section 4
MARKET QUOTATIONS

Farm Products March 25: Livestock quotation at Chicago. Top price on hogs $12.25.

Maine sacked Green Mountain potatoes $2.50-$2.65 per 100 pounds in eastern cities; bulk stock few $1.75-$1.85 f.o.b. Presque Isle. Wisconsin Round Whites $1.85-$2 carlot sales in Chicago; $1.70-$1.80 f.o.b. Waupaca. Florida Spaulding Rose $12-$14 per double-head barrel in a few cities. Apple markets on New York Baldwins ranged $2.50-$3.75 per barrel, high as $4 in Chicago. Midwestern sacked yellow onions $3.25-$4 per 100 pounds in consuming centers; few sales $3.75 f.o.b. West Michigan points. Delaware and Maryland yellow sweet potatoes $1.25-$1.65 per bushel hamper in the East. Tennessee Nancy Halls 90¢-$1.10 in Chicago and $1.25-$1.50 in Pittsburgh.

Closing prices on 92 score butter: New York 51¢; Chicago 49¼¢; Philadelphia 52¢; Boston 51½¢.

Closing prices at Wisconsin primary cheese markets March 24: Twins 22¢; Single Daisies 22½¢; Double Daisies 22¼¢; Longhorns 22½¢.

Average price of Middling spot cotton in 10 designated markets declined 1 point, closing at 13.73¢ per lb. May future contracts on the New York Cotton Exchange declined 2 points, closing at 14.08¢, and on the New Orleans Cotton Exchange they declined 3 points, closing at 14.09¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.32-$1.39. No.2 red winter Chicago $1.32. No.2 hard winter Chicago $1.35. No.3 yellow corn Chicago 68½¢; Minneapolis 68¢. No.3 white oats Minneapolis 42¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 25,	Mar. 24,	Mar. 25,1926
20 Industrials	160.21	160.30	140.81
20 R.R. stocks	127.84	128.28	106.88

(Wall St. Jour., Mar. 26.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 72 Section 1 March 28, 1927.

NATIONAL WEALTH

A dispatch March 27 from New York says: "The national wealth of the United States was $355,300,000,000 in 1925, it is estimated by the National Industrial Conference Board. This is the first estimate of national wealth published since the census estimate of $320,800,000,000 for 1922. For 1912 the census estimate was $186,300,000,000. In terms of the dollar's purchasing power in 1913, the conference board places the national wealth in 1912 at $188,000,000,000 and in 1925 at $233,700,000,000. The nominal increase of 90.7 per cent in the thirteen-year period was therefore really an increase of 19.1 per cent, or nearly one-fifth. The term 'national wealth' represents tangible objects only and therefore excludes credits and currency. It specifically includes land and improvements, industrial and agricultural equipment, livestock, railroad and public utility land and equipment, personal property, motor and other vehicles, and gold and silver holdings. Land and improvements represent $172,700,000,000, or one-half the Nation's total wealth."

STOCK EXCHANGE FIGURES

The New York Times of March 27 reports that stocks and bonds listed on the New York Stock Exchange, numbering more than 2,500, have a market value estimated at between $75,000,000,000 and $80,000,000,000 by statisticians in Wall Street. The stock listings aggregate approximately 600,000,000 shares, selling on the market at nearly $40,000,000,000, while the listed bonds, with a par value of $38,400,000,000, have a total market value of something like $37,500,000,000. These listings cover securities of all kinds, domestic and foreign.

ARMOUR CHIEF DENIES FRAUD

An Associated Press dispatch from Chicago March 27 says: "Charges of fraud made against the Armour Grain Company by Harry C. Mallory, former employee, in testimony before the Illinois legislative committee investigating the Armour Company's connections with the failure of the Grain Marketing Corporation March 26, were branded as false by John Kellogg, president of the Armour Company. Mr. Kellogg denied that the Armour Company had committed any illegal or improper acts in the operation of its grain elevators and declared he would go before the next session of the legislative committee with a request to present evidence in contradiction to the charges...."

COTTON REPORT AND BRITISH TRADE

A London dispatch to the press to-day says: "The final American cotton figures, with their heavily reduced figures of actual production, have unsettled the textile trade. It is feared that new and wide fluctuations will tend to check recent improvement in the Lancashire trade. The longer view, however, is that the present instability of cotton prices does not greatly matter, because in any case large supplies are assured for at least another year."

Section 2

Cooperative Cotton Gins The press of March 20 reports that a subsidiary company is being incorporated by the Texas Farm Bureau Cotton Association for the construction and operation of cooperative cotton gins. An initial appropriation of $200,000 has been made by the association for the new industry.

Cotton Quality An editorial in The Journal of Commerce for March 26 says:".... In many districts of the eastern portions of the Cotton Belt growers are, to use the language of the street, more or less 'up against it' in any case, due to the increasingly severe competition afforded by producers in the Southwest. This underlying factor in the raw cotton situation may for short periods of time and due to special or unusual circumstances, be obscured or removed. The truth remains, however, that taking a longer time view of the situation many farmers of such States as Alabama, Georgia and South Carolina are being pressed and will continue to be pressed as they have never been before as raisers of cotton. They must either find some method of reducing the cost of raising their cotton, raise more valuable cotton without proportionately increasing their costs, or at one time or another retire from the cotton raising business. There is no escape from this conclusion. All this, of course, makes the question of grade and staple, the general spinning value of their cotton one of great and timely interest. The facts in a general way are naturally already known to those who keep well informed on such subjects. The exact situation is not so known, however, and, what is fully as much to the point, the farmers of these districts have not, by and large, become as much impressed with the true state of affairs and as fully aware of the avenues of escape open to them as is desirable either from their standpoint or that of the country as a whole....."

Economic Conference Discussion of economic problems of far-reaching importance to the business world will take place at the fourth congress of the International Chamber of Commerce to be held at Stockholm, Sweden, June 27 to July 2. The complete program for the Stockholm conference, made public at Washington, March 27, by the American section of the international chamber, covers a wide range of international business subjects. The broad question of trade barriers is foremost on the list. Other subjects included are commercial letters of credit, bills of exchange, highway transportation, rail transportation, international protection of patents and trade marks, air transportation, international arbitration, international settlements and the general subject of communications grouping international long distance telephony and radio and cable rates.

Farmer Migration Causes An editorial in The Wall Street Journal for March 25 says: "It is admitted, and statistics prove it, that there is a fairly constant migration from the farm to the city....With a few exceptions, so rare as to be negligible, the best conducted farm compares unfavorably with the poorest solvent factory. Our farmers as a whole are not efficient. And yet after allowing for a proportionate decrease in the rural population and perhaps an actual decrease, our agricultural output is as great as it ever was. It took fewer hands to grow the largest cotton crop in our history last year. Are there not too many cotton farmers? Living conditions on the farms leave much to be

desired. Certainly unsanitary conditions which would not be tolerated in any decent township exist so far as 90 per cent of the farms are concerned. Is it any wonder that young men and young women, with the opportunities for comparison afforded by the motor car, make a move in the direction of bathrooms and refinement? This is a side reason. The real reason for the migration is that we have more farmers than we need. Greatly to its advantage this country is becoming industrialized. Our industrial population must be fed, but we would do that better and cheaper, and with a larger profit, if we conducted our farms on the efficiency basis of a tolerably run factory. The farmers' market is a stable one, although a radical change in the habits of the people always escapes notice. The truth is that we eat less than we did forty years ago. If the food consumption of this country when we had a population of 40,000,000 is compared with the requirements of three times that population, it will be found that the consumption in bulk has not increased three times but perhaps twice.....When there is money in efficient farming, due to an increased demand for farm products, there will be a move back to the farm. In the meantime we are worrying over a development which has not gone nearly far enough."

Harvester Earnings

An Associated Press dispatch March 26 from Chicago states that the International Harvester Co. had net earnings of $22,658,891.72 in 1926, equivalent to about 9 per cent on the capital invested, according to the annual report. The 1925 net earnings were equivalent to 8 per cent. Although foreign sales were the largest in the company's history, and there were "notable gains" in the motor truck and tractor lines in this country, the report said that the trade outlook at present is less favorable than at this time last year. The three European plants--in France, Germany and Sweden--were reported operating virtually at capacity. The output of the Canadian plants was reported "substantially increased."

London Wool Sale

An Associated Press dispatch March 25 from London states that at the wool sales held in London March 24 12,779 bales were offered, of which 11,000 were sold. The offerings were well distributed among the home and foreign sections, and recent values were fully maintained. Withdrawals were more frequent, mainly among fine merinos, owing to high limits.

Meat Consumption in Germany

A Berlin dispatch to the press March 24 states that a total of 134 pounds of meat was consumed by every man, woman and child in Berlin last year, according to statistics published March 23. The total consumption was 330,000,000 pounds. The average per person was only twelve pounds below the pre-war figure. There were 9,700 horses among the 2,190,000 animals killed at the municipal slaughter houses.

Virginia Receives Grant for Farm School

The press of March 25 reports that the University of Virginia will receive $600,000 under the will of Graham F. Blandy, member of the New York Stock Exchange.....The will directs that part of the farm known as "The Tuleyries," in Clark County, Va., be given to the Virginia State University to establish the "Blandy Experimental Farm" to teach boys farming and fruit-raising.

Wool Industry Statistics

The Journal of Commerce for March 23 says: "For the first time in the history of the American woolen and worsted industry an exact survey has been completed within the industry, which is now being supplied to the trade by the National Textile Research Office, of which Herbert E. Peabody is director, working in collaboration with A. D. Whiteside, president of the National Credit Office. The mills have been awaiting this report with keen anticipation as a means of 'clearing the atmosphere that has obscured the producer's vision of the true conditions in the trade.' The first survey outlines the number of mills in the industry, the number of looms available for operation, the fabrics woven by each mill, and the trades for which fabrics are manufactured. Thus far, it was stated by Mr. Peabody, 85¾ per cent of all the mill units in the country has furnished the data requested....."

Wool Market

The Commercial Bulletin for March 26 says: "There is more business being done in the wool market and a better tone exists in consequence. Several fairsized sales of territory and bright wools are reported, including part of the Jericho pool, reported to have brought 39 cents. Inquiries for foreign wool for export have been more numerous. The western situation is steady, with scattered purchases of minor consequence reported. Evidently there is better demand for goods, besides which the frank admission of manufacturers, including the head of the American Woolen Company, that prices for wool can hardly be expected to go lower, is giving more confidence to the several branches of the industry. The foreign markets are all very strong. London is against the buyer and the primary markets of Australia are closing at the peak for the season."

Section 3

Department of Agriculture

An editorial in The Michigan Farmer for March 26 says: "Over thirty States will cooperate with the United States Bureau of Agricultural Economics in making a survey of the apple industry in this country. This study will include a careful analysis of the marketing of this fruit; the supply and demand for definite varieties; competition between producing areas and varieties; the probable shift in the sources of supplies for the different markets, and an inventory of recent trends, the present status, and the future developments in the commercial apple producing areas. The purpose of the survey is to enable growers to plan their future orchards more intelligently. With this information, they could best suit varieties to the available markets. It is this type of information that farmers generally are in need of when planning their plantings of both perennial and annual crops."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended March 26: Livestock quotations at Chicago. Top price on hogs was $12.25 or 45¢ higher compared with a week ago. Fed steers were 25¢ to 40¢ higher, most grades and classes showing a new high top for the season. Stockers and feeders remained steady. Fat cows and heifers advanced 25¢ to 50¢. Vealers declined 50¢ to $1. Fat lambs and yearling wethers closed 50¢ to 75¢ higher, with feeding lambs advancing 50¢ to 60¢. Closing prices on fresh western dressed meats at New York were steady to $1 higher on good grade steer beef and mutton, unchanged on veal and heavy porl loins, $2 to $3 higher on lamb and $1 higher on light pork loins.

Maine sacked Green Mountain potatoes steady at $2.50-$2.65 per 100 pounds in eastern cities; bulk stock few $1.75-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites 5¢ higher at $1.85-$2 carlot sales in Chicago; mostly $1.70-$1.75 f.o.b. Waupaca. Onions 25¢-50¢ higher in Middle West, but 25¢ lower in the East. Midwestern sacked yellows ranged $3.25-$4 per 100 pounds in consuming centers. Cabbage tending higher. Apple markets about steady. New York Rhode Island Greenings $4.25-$4.75 per barrel in Middle West; $2.85 f.o.b. Rochester. New York and Michigan Ben Davis $3-$3.50 in Chicago.

Butter markets were quite irregular during the week. Prices dropped sharply early in the week followed by a sharp reaction toward the close. Foreign butter continued to dominate the situation although quantities arriving were not large. Domestic production continues lighter than a year ago but is on the increase. Cheese markets held steady and prices on the cheese boards at Plymouth, Wis., on March 25, showed a fractional advance from the previous week. Trading continued moderate. Production is increasing under favofable weather, but is lighter than a year ago.

Average price of Middling spot cotton in 10 designated markets advanced 25 points during the week, closing at 13.74¢ per lb. May future contracts on the New York Cotton Exchange advanced 24 points, closing at 14.10¢, and on the New Orleans Cotton Exchange they advanced 26 points, closing at 14.13¢.

Hay markets about steady. Receipts light but demand dull. New alfalfa arriving in quantities at Los Angeles. Cutting will begin in Arizona next week. Central western and eastern shipping and local demand dull all classes. Good pastures and mild weather restricting demand. Feed markets barely steady. Offerings of feedstuffs of only moderate volume but more than equal to the limited demand since mild weather continues to restrict feeding requirements. Wheatfeeds fractionally lower at most markets. Linseed meal draggy but most of the output being applied on contracts. Cottonseed meal slightly lower. Cornfeeds affected by weakness in corn markets. Hominy feed prices sagging. Gluten feed quotations unchanged but demand falling off and dealers cutting prices. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 26,	Mar. 25,	Mar. 26,1926
	20 Industrials	160.55	160.30	141.76
	20 R. R. stocks	128.32	127.84	107.24

(Wall St. Jour., Mar. 28.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 73 Section 1 March 29, 1927.

THE SECRETARY ON AGRICULTURE AND SCIENCE

A New Haven, Conn., dispatch to the press to-day reports that Secretary Jardine last night made a plea for linking science with American agriculture as the main address before the American Institute of Chemists, in Woolsey Hall auditorium of Yale University. In his address the Secretary is reported as saying: "The agriculture of the future will be successful in proportion to the extent to which it is shaped and guided by the basic facts revealed by scientific research, especially research in the fields of natural science, economics, engineering and business administration. If satisfactory progress is to be made in the solution of the problems of the farm, to the end that agriculture may be more prosperous, the facts developed by research must be intelligently correlated and coordinated, superficials distinguished from fundamentals and the latter interpreted in the light of practical knowledge as well as scientific information. Of supreme importance is a sufficiently numerous personnel characterized by outstanding ability, thorough professional training, and unstinted devotion to the search for the truth. To the development and encouragement of such a personnel every organization concerned with science may wisely lend its hearty efforts.'...."

In an editorial entitled "Science and Agriculture," based upon the Secretary's Yale address last night, The New York Times to-day says: "Sidney Lanier in the fragment of an unfinished lecture spoke of the scientific man as merely the minister of poetry. He insisted that scientific facts never reach their proper function 'until they merge into new poetic relations' established between man and man, man and God or man and nature. If he had heard Secretary Jardine's address at Yale University last night, he might well have found illustrations to add to the one which he drew from a legend of agriculture in the sixth and later centuries, recalling the struggle to make a clearing in the stern forests of what is now Brittany. The Legend of St. Leonor it is named.... The legend was but the poetry which the peasants wove about the struggle of a pioneer to reclaim a piece of stubborn ground and make arable land of it. The stags were but the forces of nature which, through the intelligent and persistent effort of man, came to serve him. So have other creatures, wilder and more difficult to tame, come to his continuing aid: steam, lightning and now the elements which have had their residence deeper in the recesses of the forest. In Secretary Jardine's address he makes a summary of what modern science has done for agriculture. These agencies, which are very practical, will some day come to be characterized in terms of their super-physical contributions to man's varied relationships....These and others named by Secretary Jardine are still practical processes and instruments which modern science has brought to the aid of agriculture. They will probably never be converted into legendary lore even ten or a hundred centuries hence, but their significance will find its expression ultimately in terms which only the poet can command."

MILK EMBARGO INDORSED

The New York Times to-day says: "The embargo by the Federal Department of Agriculture on all Canadian dairy products will effectually protect New York City's cream and milk supply from the typhoid epidemic in the Dominion, it was said yesterday by J.E.Thompson, acting director of the Bureau of Foods and Drugs of the Health Department."

Section 2

Farm Readjustment

Farm and Ranch for March 19 says: "Only one-fourth of the population of the United States actually reside on farms. Of the estimated population of 118,000,000 people in Continental United States, the farm population is given at approximately 30,000,000. Thus every person on the farm produces for three people living in towns and cities.....This number is growing proportionately less, for cities are increasing in population and the number of farmers is decreasing. Many view this condition with more or less alarm, but there is no good reason to worry, much less for those who expect to continue on the farm. There always will be an economic adjustment. ....Enterprising, thoughtful farmers are putting their lands back into a high productive condition. Others will be forced by Dame Necessity to do likewise or else quit the farm. Our cities are growing rapidly. Industrial workers must eat and wear clothes, and someone will produce the food and fiber. The larger the cities and the fewer the farmers the more profitable will farming become, provided, of course, producers of food and fiber conduct their affairs in a business-like manner."

Meat Packing Industry

The following statement was issued March 28 by the Institute of American Meat Packers: "An analysis of census figures recently issued by the United States Department of Commerce indicates that the American meat packing industry, with an annual volume of business in excess of three billion dollars, pays out for materials, principally livestock, but also including fuel, electric power, and containers, more than 86 cents of every dollar of the plant value of finished products. The remaining 14 cents is used to pay for such items as wages, salaries, interest, rent, depreciation, taxes, insurance, advertising, research, and a small manufacturing profit. These figures, which cover the year 1925, indicate an increase in the efficiency of packers' operations as compared with the previous census. In 1923, according to the census report, about 84 cents out of every dollar of the plant value of products was paid out for materials, and the remaining 16 cents was required to cover the items just mentioned. With the products valued in excess of three billion dollars annually, the figures indicate that on each business day packers pay out for livestock and other materials an average of more than eight million dollars. The census figures also show that the annual pay roll for labor approximates $160,000,000 and that the horsepower utilized exceeds 411,000. Illinois led all other States in the value of its meat packing products, according to the census figures, followed by Kansas, New York, Iowa, Nebraska, Minnesota, Missouri, and Ohio. The value of the fresh meat produced represented about half the total value of three billion dollars. The cured meat produced, which included hams, bacon, and corned beef, exceeded three-quarters of a billion dollars in value. The figures also show that more than a billion and a half pounds of lard were produced, with a value in excess of two hundred and seventy-five million dollars. Hides, skins, and pelts had a total value of nearly one hundred fourteen million dollars; the wool produced was valued at twenty-three million dollars, and hair at more than two million dollars. Other by-products exceeded one hundred and fifty million dollars in value...."

Production and Consumption

An editorial in The Wall Street Journal for March 26 says: "It is stated by the Department of Commerce that the value of domestic manufactures in 1925 was $38,500,000,000 against $15,000,000,000 in 1914 and $7,000,000,000 in 1899. Truly a marvelous growth, but is it permanent? An analysis of the figures is reassuring. Domestic consumption furnished the principal market in the earlier period and is doing so now. Export trade, now as then, took a certain percentage which stabilized and steadied our industrial operations. But home and foreign consumption in all periods remain at about the same relative percentages, proving that a steady increase in the size of export trade is necessary to our well being. There have been interesting changes in the production and the exports of manufactures. For instance, if manufacture and the export of foodstuffs have been greatly increasing in the total, other manufactures are now farther in the lead than ever before. The total production of manufactured foodstuffs in 1925 was $8,000,000,000 against $3,750,000,000 in 1914 and $1,700,000,000 in 1899. The exports in 1925 amounted to $574,000,000 and $312,000,000 in 1899. In other words, 16.4 per cent of the manufactured output was exported in 1899 and 6.4 in 1925. Two important facts can be inferred from these figures. One is that our people are living better than two decades ago. The increase in population could not account for this enormous increase in domestic consumption. It is true that the population is constantly expanding, but wants and desires increase faster than anything else. The increasing prosperity of the industrial classes means a greater consumption of goods. Apparently, there is no limit to desire to consume. Production gives the means of gratifying it. The other fact clear enough is that our export trade in manufactured foods is not keeping pace with production. Here is something for farm relief advocates to ponder. Canada, Australia and Argentina are storehouses of food. Their competition is likely to grow stronger in the future. With those countries producing more and still more food it would become increasingly difficult to hold up domestic prices by disposing of an accumulating surplus at a loss in the importing markets...."

Production and Profit

An editorial in The Journal of Commerce for March 24 says:"....Why is it that the farmer plans this spring to enlarge his acreage when the claim is so loudly made that he did not make a remunerative income last year? The same question may well be asked in the cotton region, where desperate efforts are being made to cut down the acreage by 25 per cent, but where none the less there are many predictions that the planted area will be as large as it was last year, although probably differently distributed? Of course, the answer is that the 'farmer' is not one but many. There are a great many farmers and they differ in the conditions under which they work and in their cost of production. There is no doubt that some of them made money last year, and have done so every year. In some of the States of the Middle West last year was as prosperous a season as the farmer has ever had. In others, the outcome of the year's efforts was disastrous or nearly so. This brings us to the heart of the agricultural production and price problem.....The successful farmer plants because he expects to make a profit; the unsuccessful because he has nothing else that seems better for him to do. Until we get a better diversification of product, or a better distribution of labor

between the farm and the factory, present difficulties are likely to continue."

Railroad Rates

An editorial in The Farm Implement News for March 17 says: "In an address to the American Railway Engineering Association, W. G. Bierd, president and receiver of the Chicago & Alton road, expressed the opinion that the total investment in railroad, highway and waterway transportation is so high that the public can no longer foot the bill. He believes that the railroads will lose in their effort to obtain higher rates as a means of increasing the return on the investment. On the contrary, he thinks that the demand for lower rates will win. In this way, he believes, the railroads will be used to bring about something in the way of farm relief....Mr. Bierd, when referring to reduced rates as a measure of farm relief, might have gone farther and given his opinion of the proposed increase in rates on farm implements. If there is any one thing that the railroads should carefully avoid under existing conditions it is a change that would add to the burden of the farmers, as this proposed increase in implement rates would do. One can not refrain from repeating that this proposal reflects a short-sighted policy and an indifference to the welfare of the country. A reduction in rates on all farm machines would be a wise and patriotic move."

Russian Wheat

An editorial in The Nor'-West Farmer (Winnipeg) for March 21 says: "That Russia must soon again be reckoned with as a wheat exporter is certain. Lately exports from that quarter have been running as high as three quarters of a million bushels a week, and it is not to be doubted that within five years Russia may be exporting as much wheat as she did in the years before the war when she was the second largest wheat exporter in the world, the United States alone exceeding her in this respect. Now the United States takes a lower position among the surplus wheat producing countries, Canada taking first place among the exporters, so if Russia again becomes an exporter of prominence it will be her competition which this country will have to face. Russia has the largest area of undeveloped wheat lands in the world and could easily produce several times the volume of wheat which she did before the war. Canadian wheat producers, if this expected competition develops, may have trouble producing wheat profitably if the wheat of Russia, more cheaply produced, sets the price in the market. We will have to find some means of reducing production costs. How that may be done is a problem for the future. It would seem that the most effective means we have for cheapening production lies in the introduction of cheaper harvesting methods, probably chiefly in the use of the combine, reduction in the cost for manual labor and the use of better varieties. Whatever the outcome, the fact need not be doubted that Russia is coming back into her own as a wheat exporter and Russian wheat will be the chief competitor of the Canadian article within the next ten years, probably in less time than that."

Scottish Beet Industry

Facts About Sugar for March 26 says: "Scottish farmers having promised the requisite 8,000 acres of beets for next season--which was a condition previous to the doubling of the capacity of the new Cupar (Fifeshire) factory by the Anglo-Scottish Beet Sugar Corporation--efforts are now being made to further extend the acreage so

that two additional factories may be erected in the Lothians and the north of Scotland. The prospects in this part of the country are very bright and a great deal of energy is being displayed by the National Farmers' Union. Last year some Scottish growers produced 14 tons of beet to the acre and made up to 40 pounds per acre. On the average the cost of growing the crop was between 17 and 19 pounds, and subsidy or no subsidy, farmers are convinced that sugar beets can be grown at a profit while it is strongly contended that the crop creates increased fertility which goes a long way towards saving many manure bills."

Section 3
MARKET QUOTATIONS

Farm Products March 28: Livestock quotation at Chicago on top price on hogs $12.

Maine sacked Green Mountain potatoes $2.50-$2.65 per 100 pounds in eastern cities; bulk stock $1.75-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.90-$2.10 carlot sales in Chicago; $1.70-$1.85 f.o.b. Waupaca. Florida Spaulding Rose $3-$4 lower at $10-$14 per barrel in city markets. Midwestern yellow onions $3-$4 sacked per 100 pounds in consuming centers. Texas yellow Bermudas $4.50-$5 per crate in the East; $3 f.o.b. Raymondville. New York Baldwin apples $3-$3.75 per barrel in city markets; $3-$3.25 f.o.b. Rochester. New York and Michigan Ben Davis $3-$3.25 in Chicago. Florida strawberries 40¢-60¢ quart basis in the East.

Closing prices on 92 score butter: New York 52¢; Chicago 50½¢; Philadelphia 53¢; Boston 52¢.

Closing prices at Wisconsin primary cheese markets March 26: Single Daisies 22¾¢; Longhorns 22½¢; Square Prints 22¾¢.

Average price of Middling spot cotton in 10 designated markets declined 2 points, closing at 13.72¢ per lb. May future contracts on the New York Cotton Exchange declined 1 point, closing at 14.09¢. and on the New Orleans Cotton Exchange they were unchanged at 14.13¢.

Grain prices quoted: No.2 red winter Chicago $1.31. No.2 hard winter Chicago $1.34. No.3 yellow corn Chicago 67¢. No.3 white oats Chicago 43¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 28,	Mar. 26,	Mar. 27, 1926
20 Industrials	161.01	160.55	139.02
20 R. R. stocks	130.01	128.32	107.26

(Wall St. Jour., Mar. 29.)

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DAILY DIGEST

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Vol. XXIV, No. 74 Section 1 March 30, 1927.

ECONOMIC CONFERENCE DELEGATES President Coolidge yesterday announced the appointment of the following to represent the United States at the economics conference to be held in Geneva, Switzerland, under the auspices of the League of Nations: Henry M. Robinson, Los Angeles, Calif.; Norman H. Davis of New York, former Secretary of State and former Assistant Secretary of the Treasury; John W. O'Leary of Chicago, Ill., president of the United States Chamber of Commerce; Alonzo E. Taylor of Stanford University, California, and Dr. Julius Klein, chief of the Bureau of Foreign and Domestic Commerce of the Department of Commerce. (Press,Mar.30.)

RADIO HEARINGS The Associated Press to-day reports: "Setting out to chart its general policy, the Federal Radio Commission at the first of hearings called to develop the sentiment of radio interests as a guide, yesterday heard the views of more than a dozen representatives of the industry on proposals to remedy the existing congestion of the air. Unanimous objection to any widening of the broadcasting band, now spread between 200 and 545 meters, to accommodate the 733 stations now operating on 89 wave lengths in the United States, was expressed by manufacturers, engineers and amateur radio experts. The only other phase of the subject taken up, proposed limitation of power of stations, developed some differences of opinion...."

THE SAPIRO-FORD CASE The Associated Press reports to-day from Detroit:".... Aaron Sapiro yesterday told a Federal court jury his story of alleged libels by Henry Ford and the automobile manufacturer's weekly, the Dearborn Independent, for which he asks $1,000,000. Three sentences covered it. One revealed a falling off of net income since the Independent published a series of anti-Jewish articles, with which Sapiro later was connected. The other two stated that since the alleged libelous publications no farmers had called upon Sapiro to form them into a cooperative agency and that only three established cooperatives had sought his services or advice....."

IMMIGRATION FIGURES A total of 28,023 aliens were admitted to the United States during the month of January, and 13,981 departed, according to a report made public yesterday by the Department of Labor. During the same month, 16,913 Americans returned to this country and 21,483 left for foreign lands. Nearly two-thirds of the aliens admitted are new arrivals, who plan to make their homes in the United States, it was said. Of the total 9,389 came from the Americas, Canada leading with 5,409, and Mexico next with 3,436. Germany supplied 3,547 and Great Britain 1,310.

Section 2

Cocoa Marketing

As a result of an investigation into the continued advance of cocoa prices, Russell's Commercial News says other factors than speculation have had much to do with the existing situation. As cocoa beans are a tropical product, the publication says, the change from the warm to the colder climate brings about condensation, which tends to enhance mold. The Department of Agriculture, in accord with regulations, has recently been rejecting large quantities of material, and some steamers which brought in 4,000 tons have had up to 35 per cent of their cargoes rejected. Importers, dealers and brokers are in an uncertain state, and some importers are considering the discontinuance of cocoa imports, the publication says, and should this be general, a serious shortage and higher prices may be foreseen. It is understood that material rejected here is shipped to Europe and sold there at a discount, manufactured into cocoa and chocolate confections and reshipped to the United States, where the "imported " label makes it sought for by the public. Thus, says the publication, foreign makers are able to buy cocoa beans cheaper than the American manufacturer, who must pay a premium for his raw materials, and the country's industry is placed at a disadvantage.

Cotton Planting

An editorial in The Wall Street Journal for March 28 says: "Cotton planting season is here, and farmers are faced with the question of acreage. Shall they plant more or less than in 1926? In the answer the farmers give to this question may rest the matter of profit or loss in the coming crop. The Bankers' Association of South Carolina takes the position that a reduction is necessary. They are putting this matter before the farmers of that State in a circular which contains these statements: 'To reduce your cotton acreage is to increase your profits. Failure to reduce cotton acreage will increase your losses. It is up to you to make or break.' As a general rule, it is not good economics to advise a decrease in production of any commodity in order to advance prices. On the other hand, it is inadvisable to stimulate production to such an extent as to glut the market. With the certainty of a carryover of old cotton that will approximate half a year's consumption there is danger of overproduction. No one can foresee what the weather will be, but if it is no worse or better than average, an acreage approximating that of last year would mean prices so low that the planters would be losers. A serious mistake of the cotton farmers is in the habit of pitching acreage according to prices about planting time. This assures that the farmer will be chasing the market, always behind it excepting in those seasons when nature steps in and saves him from his own folly. Like any other business, the farm program should be laid out for a lifetime, and not planned for a single season. That means that a man should have a fairly definite and constant program for production. Such a plan should first embrace the production of food and feed, for there is nothing so fundamental as this. A well-planned diversification to secure these important items should come first, and after that the plans for money crops. It is also open to question as to whether cotton should be the only surplus crop. Where conditions warrant, it is best not to put all the eggs in one basket...."

Fruit From Argentina

An editorial in The Idaho Farmer for March 24 says: "The fruit business is becoming more and more world wide. New York City's markets a week or two ago received 6,000 packages of high quality fruit from Argentina. Black variety grapes from that country sold at $9 to $12 per box of 18 to 20 pounds. Bartlett pears brought mostly $4 per box of 40 to 65 pears; yellow peaches, $1.50 to $2.25 per box of from 24 to 96 peaches. Red and yellow plums sold at $3.50 to $4.50 per box of 110 to 175, and honeydew melons at $4.50 to $6 per box containing six melons."

Germany and Chilean Nitrates

A Santiago, Chile, dispatch to the press of March 26 says: "Germany's largest chemical combination is making an attempt to enter the Chilean nitrate industry, which, at present, for the most part, is in American, British and Chilean hands. The Interessengemeinschaft Farben Industrie, the collective name of the German dye and chemical cartel, has asked the Chilean Government to concede it the exclusive patent and rights to a process which is described as destined to improve the production of nitrates in the Chilean pampas. This cartel is the most formidable competitor of Chilean nitrate producers in European markets. The cartel manufactures synthetic nitrate by the Haber process on a large scale."

Production Cost Records

An editorial in The Iowa Homestead for March 17 says: "A program dealing especially with lowering the production costs of grain, livestock and livestock products has been started in this State by the extension service of Iowa State College and some of the county farm bureaus. To put this into effect and to interest farmers in the program the need of record keeping is being emphasized and urged. This is a matter in which The Homestead has long been interested and we believe that much good will come from such a program if it is pushed hard and enough farmers become interested to have a positive effect upon their respective communities....There can be no doubt but scores of thousands of Iowa farmers would materially modify their present methods of conducting their farming business if they had been keeping records during the last several years and also had available for examination and study results obtained by their neighbors....."

Quota Law Author on Immigration

The press of March 29 says: "Congressman Albert Johnson of Washington, chairman of the House committee on immigration and author of the quota law, forsees a complete shutting out of immigrants by the United States in the comparatively near future.... The Congressman has been in New York some days, studying phases of immigration and visiting Ellis Island. He asserted that now, with the hue and cry over the quota law subsided, everyone wanted restriction and wanted it in a more perfected form. He also said: 'You would be amazed if you knew the number of people I find who are for stopping all immigration, at least for a time, until we have a chance to catch up. Each Congress is trimming down the number of immigrants because of the natural demand for more and more restriction and the process is bound to go on, notwithstanding opposition. Within twenty-five years immigration will be abolished almost entirely. Our form of Government will make this necessary to prevent group control. But we want progress to be made in a rational and reasonable way.'...."

Sapiro's Career

An Associated Press dispatch March 29 from Detroit reports that in telling the story of his life as a witness in his suit against Henry Ford, Aaron Sapiro related that his "first interest in cooperative marketing was aroused in 1908 by Col. Horace Weinstock later California's State marketing director. Sapiro was appointed counsel to Weinstock. Weinstock's library was stocked with English, German and French authorities on cooperative marketing, Sapiro testified, and he read them all. He studied in addition every book on the subject in the University of California library. With that as a background his first bit toward actively organizing the farmers came in 1916, when the California poultry raisers were drawn together in a cooperative enterprise. In rapid fashion Gallagher and Sapiro raced through these organizations by Sapiro: California prune and apricot growers, California pear growers, California berry growers, California bean, tomato, fruit and milk groups, Portland, Oreg., dairymen; Washington wheat growers, Idaho wheat growers, Mississippi cotton planters, North and South Carolina and Georgia cotton planters, Kentucky tobacco men, wheat growers of Kansas, Oklahoma, Texas, North Dakota, Nebraska and, possibly, Sapiro said, the Colorado wheat growers. He added the dark tobacco growers of western Kentucky, Tennessee and Indiana, the Burley tobacco growers of Kentucky, Tennessee, Ohio and Indiana and skipped into Ontario, Canada. He was called into the province by the Minister of Agriculture to study the dairying and fruit-growing problems. That was in 1922. He counseled with the wheat growers of Alberta, Saskatchewan and Manitoba in 1924, during which year he also organized the wheat growers of Indiana. He organized the potato growers of Maine, Minnesota, Colorado and Idaho in 1922 and 1923. Since 1924, Sapiro testified, he has organized very few cooperatives...."

Wool Futures

The press of March 29 says: "Trading in wool futures on the New York Cotton Exchange looms as a possibility, according to a statement issued by Leon B. Lowenstein, chairman of the committee appointed by the exchange to investigate the proposal. He believes that a practical plan can be worked out to give purchasers of wool the same protection that cotton buyers now enjoy through the hedging facilities provided by the exchange...." According to Mr.Lowenstein, hearings will probably be held in Boston, Philadelphia and other wool centers, and the cooperation of the United States Department of Agriculture will be sought."

An editorial in The Journal of Commerce for March 29 says: "Cotton exchange authorities in this city who are devoting themselves assiduously to the task of working out a practicable system of trading in wool futures deserve the aid and support of the community in general. They, as they themselves are the first to admit, have a rather difficult task before them, but there is, after all, no reason to suppose that they necessarily will find the obstacles insuperable. At any rate, the game is fully worth the candle. One of the most serious difficulties that the woolen manufacturer has had to face in recent years has been the erratic wool market that has rarely ever shown any substantial degree of stability. Consumers of raw wool have accordingly been forced to gamble continually with a situation no one could successfully forecast. Needless to say losses have been frequent and have not been by any means offset by

gains. The very uncertainty and erraticism of the raw wool market can not, in the absence of feasible means of insurance against its fluctuations, fail to be troublesome to the manufacturer more or less regardless of the degree of success attained in foreseeing coming changes in value. A practicable system of futures trading patronized in reasonable degree by those with free funds to use in speculative operations would tend, on the one hand, to even up prices and, on the other, to provide the manufacturer with hedging facilities to insure him in large part from losses incident to such fluctuations as will inevitably remain. By all means let all be done that can to afford us such a market."

Section 3
MARKET QUOTATIONS

Farm Products March 29: Livestock quotations at Chicago on top price of hogs $11.80. Beef steers choice $11.75 to $13.65; good $10.35 to $12.75; medium $9.25 to $11.15; common $7.75 to $9.25; heifers, good and choice $7.75 to $11; common and medium $6 to $8.75; cows, good and choice $6.85 to $8.75; common and medium $5.40 to $6.85; low cutter and cutter $4.60 to $5.40; vealers $9.50 to $14; heavy calves $6.50 to $8.25; stocker and feeders, common to choice $6.75 to $9.50; fat lambs medium to choice $14.75 to $16.85; yearling wethers, medium to choice $12 to $14.75; fat ewes, common to choice $12 to $14.50; feeding lambs, medium to choice $13.35 to $15.25. Closing prices on fresh western dressed meats at New York to-day are as follows: Steer beef $17 to $18; veal $19 to $21; lamb $29 to $31; mutton $18 to $20; light pork loins $24.50 to $27; heavy loins $18 to $21.

Florida Spaulding Rose potatoes mostly $9-$11 per barrel in city markets. Maine sacked Green Mountains $2.40-$2.65 per 100 pounds in eastern cities; bulk stock $1.75-$1.85 f.o.b. Presque Isle. Best midwestern yellow onions brought $3.25-$4 sacked per 100 pounds in consuming centers. Texas cabbage $2.50-$3 per barrel crate in leading markets. Alabama stock mostly $2.50-$2.75. Louisiana Klondike strawberries $6-$6.50 per 24-pint crate in distributing centers; $5.40-$5.67½ auction sales at Hammond. Florida berries 50¢-70¢ quart basis in the East.

Average price of Middling spot cotton in 10 designated markets advanced 13 points, closing at 13.85¢ per lb. May future contracts on the New York Cotton Exchange advanced 13 points, closing at 14.22¢, and on the New Orleans Cotton Exchange they advanced 17 points, closing at 14.30¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.33-$1.41. No.2 hard winter Kansas City $1.27-$1.34. No.3 yellow corn Minneapolis 69¢; Kansas City 73¢. No.3 white oats Minneapolis 43¢; Kansas City 45¢. (Prepared by Bu. of Agr. Econ.)

	Average closing price	Mar. 29,	Mar. 28,	Mar. 29, 1926
Industrials and Railroads	20 Industrials	160.62	161.01	135.49
	20 R.R. stocks	129.53	130.01	105.15

(Wall St. Jour., Mar. 30.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 75 Section 1 March 31, 1927.

EDISON SEEKS FERTILIZER FROM HYACINTHS

An Associated Press dispatch to-day from Fort Myers, Fla., says: "Thomas A. Edison has taken time from his rubber experiments to study the possibility of developing an inexpensive fertilizer from water hyacinths. The inventor was said yesterday to have found that the water plant contains all the elements of fertilizer and is rich in soil food when allowed to decay. In pointing to the hyacinth as a plant of value rather than a useless, troublesome thing that clutters up the waterways, Mr. Edison explained the plant contains potash and phosphate and added: 'We get the nitrogen in our soil by planting cowpeas, but by collecting quantities of the plant and allowing it to rot gives a very inexpensive fertilizer.'...."

BROADCAST STATION REDUCTION PROPOSED

The press to-day reports: "A far-reaching plan for solution of the present broadcasting situation by reducing the number of stations from 733 to about 364 was submitted to the Federal Radio Commission yesterday by the American Engineering Council. Under it there would be 64 national stations and about 300 local ones. The national stations would operate in the band between 550 and 1,250 kilocycles---that is, from 240 meters to 545 meters. The local ones would be confined to the remaining lower range of the broadcasting band, from 150 kilocycles to 1,500 kilocycles, or from 240 meters down to 200...."

LIVESTOCK RATES

The press to-day reports that the Interstate Commerce Commission yesterday refused to make any general reductions at present in livestock rates west of the Mississippi River and in Illinois and Wisconsin territory. A petition of the American National Live Stock Association, supported by complaints of several other producers' organizations, asking that transportation charges for livestock in the West be reduced to the prewar basis was dismissed. Railroads, particularly those in the central western territory, combated the petition with the assertion that it would reduce western railroad earnings by $25,000,000 annually and that the carriers were in no condition to sustain such a loss. The commission held that the railroad arguments in the main were well founded and that the existing basis of rates was not excessive under the law.

MONTREAL TYPHOID

An Associated Press dispatch to-day from Montreal says: "The typhoid fever epidemic which has been raging since March 4 has reached its peak, in the opinion of health officials, who yesterday expressed the belief that next week will see the larger hospitals at least partly relieved of congestion..."

NORWAY'S PARLIAMENT ABOLISHES PROHIBITION

An Associated Press dispatch to-day from Oslo, Norway, says: "The Lagting passed yesterday the bill abolishing prohibition in Norway, pursuant to the vote recorded in the recent referendum. The measure has been passed by the Odlsting, the other house of the Norwegian Parliament....."

Section 2

Corn Conditions An editorial in The Prairie Farmer for March 26 says: "When the 1926 crop of corn began to move there were 15 to 20 million bushels of old corn in storage in Chicago. Since that time shipments, especially of poor and wet corn, have been so heavy that drying facilities have been inadequate and serious congestion has resulted. To add to the difficulty, eastern demand has been light and Argentine competition has reduced export demand. These conditions have resulted in the poorer grades of corn being heavily discounted in the Chicago market.....In the case of corn that grades low at this time largely because of moisture--that is, corn that is not badly rotted or moldy--there will be a profit of something like 12 cents a bushel, after deducting carrying charges and shrink, in holding it on the farm until July. That is granting, of course, that the present quotations on July futures are an accurate forecast of July cash prices. It is possible to insure this by selling now for future delivery. We would advise doing this through the local elevator if it is done at all. At any rate, this seems to be a year when it will pay well to dry out corn in the crib and sell it later rather than dumping it on a glutted market now."

Cotton Production An editorial in The Progressive Farmer for March 26 says: "The tobacco farmers and the cotton farmers both face practically the same sort of situation. An overproduction of cotton for 1927 is already assured, and, in our opinion, nothing the mind of man can now devise can prevent an overproduction of tobacco also....The prospect for cotton prices from now until the fall of 1928, therefore is gloomy--decidedly gloomy. What is causing the overproduction of cotton is, of course, the development of new cotton-growing territory west of the Mississippi River. While production east of the Mississippi has been virtually at a standstill, production in Texas and Oklahoma has increased by leaps and bounds....And because Texas and Oklahoma can produce cotton more cheaply than we can here in the Southeast, they are not likely to cut their acreage this year. They may increase it."

Egg Consumption An editorial in The Prairie Farmer for March 26 says: "The present low price of eggs emphasizes the need of stimulating consumption to offset increased production. During December, when ordinarily cold storage holdings are drawn upon heavily, 92,000 cases were shipped east from the State of Washington, 27,000 cases of which came to Chicago. Ten years ago Washington was not only shipping eggs, but was buying part of its own supply from the Middle West. The answer is to increase egg consumption. The per capita consumption of eggs in Canada is 337 per year. In the United States it is 204. If we can induce our people to eat eggs regularly as the Canadians do, the present surplus will be turned into a shortage and the price will be increased. The only practical way to do this is through a campaign of newspaper and magazine advertising, similar to the campaigns which have been so successful in increasing the consumption of oranges and other food products...."

Exports Eight of the ten leading American export groups established new high records in 1926, as shown in an analysis of this country's foreign trade issued to-day by the foreign commerce department of the Chamber of Commerce of the United States. Textiles and animal

foodstuffs alone failed to set new marks. However, the report shows that some of the commodities in the textile group set high marks, though not eclipsing former records. The report says: "New records were made by shipments of automobiles--305,000 valued at $223,716,000--due to increased exports of motor trucks; the number of passenger cars and electric passenger cars and trucks was slightly lower than their 1925 high marks. The value of agricultural machinery and implements surpassed their 1925 high mark, with exports totaling valued at $85,667,000. Construction and conveying machinery valued at $17,047,000 and mining and quarrying machinery at $14,857,000, both reached their highest levels. Despite near-record shipments the following commodities in the machinery group failed to equal former high marks: pumps and parts, electric motors, electric locomotives, printing presses, cash registers, and electric lamps. In the vegetable foodstuffs group records in both quantity and value were made by fresh apples, 808,492,000 pounds valued at $30,474,000; oranges, 2,692,000 boxes at $11,418,000; and grapes, 30,650,000 at $1,536,000. The quantity of raisins exported was the highest yet--141,038,000 pounds, valued at $11,178,000....."

Flour Merger The New York Times March 30 says: "A merger of leading flour mills under circumstances which may call for a Federal investigation, and is asserted to be an offshoot of the gigantic baking combination halted by the Government last year, is about completed, it is alleged in a suit filed in the Supreme Court March 29 by Kenneth H. Bristol against John H. Dahn and the Clifford-Dahn Corporation. Bristol demands an accounting of nearly $2,500,000 due him, he says, as a quarter of the profits of the alleged merger; wants a receiver appointed for his interests, and seeks an injunction to prevent the deposit of any stock belonging to him in the contemplated merger with the Pillsbury Flour Mills, Inc. The complaint tells of previous mergers of several companies into the Commander-Larabee Corporation, and says the defendants are now attempting through bankers here to effect a consolidation with the Pillsbury company....."

Immigration An editorial in The Washington Post for March 30 says: "Assistant Secretary Husband, of the Department of Labor, in an address made at the School of Politics, took a somewhat roseate view of the immigration situation. He pointed out that under the quota law the old time immigrant peoples of northwest Europe now furnish about the same proportion of our European newcomers as they did 50 years ago, and it can be truthfully said, according to Mr. Husband, that 'no finer class of immigrants ever crossed the Atlantic than are coming to our ports at the present time.' He expressed the opinion that the immigration problem has about reached the 'sugaring off stage' and he is sure that there will be a general agreement that so far results have been conspicuously successful. Mr.Husband appears to differ in his viewpoint in a rather important degree with the outlook as seen by Chairman Johnson, of the House committee on immigration. In an interview in New York Mr. Johnson asserted his belief that the 'bootlegging' of immigrants from southeastern Europe has grown to an alarming extent through the admission of fake sailors, and that hundreds of Latin-American negroes are admitted via Porto Rico....Altogether the chairman of the committee on immigration

looks with more alarm than satisfaction upon the situation as he finds it, and in his interview seems to favor a policy of still further restriction...."

Nitrate Plants The New York Times of March 30 reports that the Anglo-Chilean Consolidated Nitrate Corporation, a Guggenheim enterprise, has ordered three of its old plants placed in operation.

Portuguese Tobacco Monopoly A Lisbon dispatch to the press of March 30 states that the tobacco monopoly in Portugal will be abolished next week by governmental degree, it was announced March 29. Import duties will be imposed on leaf and manufactured tobacco.

Russia's Cotton Buying The New York Times of March 30 says: "Rumors that the Soviet Government was purchasing cotton here for use in the manufacture of munitions were termed 'humbug' March 29 by Ilya Yonov, vice president and general manager of the All Russian Textile Syndicate, cotton buying agents here for that Government. 'Gun cotton is made from linters cotton, and of that more than enough is grown in Russia,' said Mr. Yonov. 'We never have bought linters in the United States and we have no intention of buying any. It would be possible to make gun cotton from high-grade cotton, but it would be like making paper from rags when plenty of pulpwood was available. We bought more than 300,000 bales of last season's American crop for the Russian textile industry. This was the largest purchase of American cotton we made in one season and was partly the result of the low prices at which it sold....."

Wages As between May, 1925, and May, 1926, union bakers in the United States had a reduction in wages per hour from an average of 97.9 cents to 92.5 cents. The building trades as a whole had an increase from an average of $1.199 to $1.278 per hour. The brick layers went from an average of $1.475 to $1.565, carpenters from $1.184 to $1.267, painters from $1.232 to $1.305, plasterers from $1.485 to $1.595, plumbers from $1.281 to $1.381. Similar changes took place in the other building trades. Stone cutters had an increase from $1.288 to $1.404 per hour. Laundry workers had a decrease from 44.4 cents to 44.1 cents. Longshoremen received an increase from 82.8 cents to 83.5 cents. The book and job printing trades collectively had an increase from 97.5 cents per hour to 99.7 cents. The newspaper printing trades as a group had an increase from $1.130 to $1.155. All of the above trade groups, plus a few others, had an increase from a general average of $1.091 in 1925 to $1.148 in 1926. Street railway motormen and conductors not included in the above grand average had an increase from 66.1 cents to 66.2 cents per hour. (Dept. of Labor Report Mar. 28.)

World Prices As one by one the countries of the world have stabilized their currencies upon a gold basis, the commodity price level has gradually declined, notes the New York Trust Company in a review of price movements. It is pointed out that the prominent exceptions to the 1926 trend are France, Italy, Belgium and Poland, where financial reorganization is very recent or incomplete. "Currency stabilization, therefore," says the bank, "has been one of the fundamental causes for a change in the direction of the price movement. It is closely connected with the fact that the growth of the world's gold supply

has not kept pace with the demands made upon it, and this declining gold production should have a consequent depressing effect on prices. And the expansion of credit systems and credit instruments in the smaller countries is a third fundamental influence upon the price level...."

Section 3

MARKET QUOTATIONS

Farm Products March 30: Chicago livestock quotation on top price of hogs $11.65.

Florida Spaulding Rose potatoes $7.75-$10 per barrel in city markets. Maine sacked Green Mountains $2.40-$2.65 per 100 pounds in eastern cities; bulk stock $1.75-$1.85 f.o.b. Bresque Isle. Wisconsin sacked Round Whites $1.95-$2.10 carlot sales in Chicago; $1.70-$1.75 f.o.b. Waupaca. Texas cabbage $2.50-$3 per barrel crate in the East. $2.50-$2.75 in Chicago; $20-$24 bulk per ton f.o.b. Texas points. Louisiana Klondike strawberries $6-$6.50 per 24-pint crate in distributing centers; auction sales $5.60-$5.97½ f.o.b. Hammond. Best midwestern yellow onions $2.75-$4 sacked per 100 pounds in consuming centers. Texas stock $3.50-$4.50 per crate in Middle West; mostly $3 f.o.b. Raymondville. New York Baldwin apples $3.50-$3.75 per barrel in city markets; mostly $3-$3.25 f.o.b. Rochester.

Closing prices on 92 score butter: New York 53½¢; Chicago 51¢; Philadelphia 54½¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets.March 29: Twins 22¼¢; Single Daisies 23¢; Young Americas 23¢.

Average price of Middling spot cotton in 10 designated markets declined 14 points, closing at 13.71¢ per lb. May future contracts on the New York Cotton Exchange declined 16 points, closing at 14.06¢, and on the New Orleans Cotton Exchange they declined 18 points, closing at 14.12¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.32-$1.40. No.2 red winter Chicago $1.32. No.2 hard winter Chicago $1.34; Kansas City $1.27-$1.34. No.3 yellow corn Chicago 68¢; Minneapolis 68¢; Kansas City 72¢. No.3 white oats Chicago 44¢; Minneapolis 43¢; Kansas City 45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 30,	Mar. 29,	Mar.30,1926
20 Industrials	159.66	160.62	135.20
20 R.R. stocks	129.71	129.53	102.41

(Wall St. Jour., Mar. 31.)

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